

STATE OF SOUTH CAROLINA
STATEWIDE SINGLE AUDIT
FOR THE YEAR ENDED JUNE 30, 2018

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Independent Auditors' Report on Compliance for
Each Major Federal Program; Report on Internal
Control over Compliance; and Report on Schedule of
Expenditures of Federal Awards Required by the Uniform Guidance

March 8, 2019

The Honorable Henry D. McMaster, Governor
and
Members of the General Assembly
Columbia, South Carolina

Report on Compliance for Each Major Federal Program

We have jointly audited the State of South Carolina's (the State) compliance with the types of compliance requirements described in the *OMB Compliance Supplement* that could have a direct and material effect on each of the State's major federal programs for the year ended June 30, 2018. The State's major federal programs are identified in the summary of auditor's results section of the accompanying schedule of findings and questioned costs.

The State's basic financial statements included the operations of certain agencies and component units that have been excluded from the schedule of expenditures of federal awards because each of the entities engaged other auditors to perform an audit in accordance with the Single Audit Act Amendments of 1996. As described in Note 1, these agencies and component units expended \$2,684,468,513 in federal awards during the year ended June 30, 2018.

Management's Responsibility

Management is responsible for compliance with federal statutes, regulations, and the terms and conditions of its federal awards applicable to its federal programs.

Auditor's Responsibility

Our responsibility is to express an opinion on compliance for each of the State's major federal programs based on our audit of the types of compliance requirements referred to above. We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America; the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States; and the audit requirements of Title 2 U.S. *Code of Federal Regulations* Part 200, *Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards* (Uniform Guidance). Those standards and the Uniform Guidance require that we plan and perform the audit to obtain reasonable assurance about whether noncompliance with the types of compliance requirements referred to above that could have a direct and material effect on a major federal program occurred. An audit includes examining, on a test basis, evidence about the State's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances.

We believe that our audit provides a reasonable basis for our opinion on compliance for each major federal program. However, our audit does not provide a legal determination of the State's compliance.

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The Honorable Henry D. McMaster, Governor
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Members of the General Assembly
March 8, 2019

Basis for Qualified Opinion on the 5 Major Federal Programs Identified in the Following Table

As identified in the following table and as described in the accompanying schedule of findings and questioned costs, the State did not comply with requirements regarding the following:

| State Administering Agency | Finding Number | CFDA Number | Federal Program/Cluster | Compliance Requirement |
|---|----------------------------------|----------------------------|---|--|
| South Carolina Department of Health and Human Services | 2018-006 | 93.775 93.777 93.778 | Medicaid Cluster | Eligibility |
| South Carolina Department of Health and Human Services | 2018-006 | 93.767 | Children's Health Insurance Program (CHIP) | Eligibility |
| South Carolina Department of Health and Environmental Control, Department of Natural Resources, Sea Grants Consortium | 2018-031 2018-035 2018-038 | Various | Research and Development Cluster | Subrecipient Monitoring |
| South Carolina Adjutant General | 2018-040 | 97.036 | Disaster Grants – Public Assistance (Presidentially Declared Disasters) | Subrecipient Monitoring |
| South Carolina Commission for the Blind | 2018-045 2018-046 2018-047 | 84.126 | Rehabilitation Services – Vocational Rehabilitation Grants to States | Eligibility Reporting Special Tests |

Compliance with such requirements is necessary, in our opinion, for the State to comply with the requirements applicable to those programs.

Qualified Opinion on the 5 Major Federal Programs Identified Above

In our opinion, except for the noncompliance described in the Basis for Qualified Opinion paragraph, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on the identified major federal programs for the year ended June 30, 2018.

Unmodified Opinion on Each of the Other Major Federal Programs

In our opinion, the State complied, in all material respects, with the types of compliance requirements referred to above that could have a direct and material effect on each of its other major federal programs identified in the summary of auditors' results section of the accompanying schedule of findings and questioned costs for the year ended June 30, 2018.

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The Honorable Henry D. McMaster, Governor
and
Members of the General Assembly
March 8, 2019

Other Matters

The results of our auditing procedures disclosed other instances of noncompliance which are required to be reported in accordance with the Uniform Guidance and which are described in the accompanying Schedule of Findings and Questioned Costs as items 2018-001 through 2018-005, 2018-007 through 2018-018, 2018-020 through 2018-021, 2018-023, 2018-024, 2018-026, 2018-029, 2018-032 through 2018-034, 2018-042, and 2018-043. Our opinion on each major federal program is not modified with respect to these matters.

The State's responses to the noncompliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs and Appendix B – Agency Corrective Action Plans to Findings and Recommendations. The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses.

Report on Internal Control over Compliance

Management of the State is responsible for establishing and maintaining effective internal control over compliance with the types of compliance requirements referred to above. In planning and performing our audit of compliance, we considered the State's internal control over compliance with the types of requirements that could have a direct and material effect on each major federal program to determine the auditing procedures that are appropriate in the circumstances for the purpose of expressing an opinion on compliance for each major federal program and to test and report on internal control over compliance in accordance with the Uniform Guidance, but not for the purpose of expressing an opinion on the effectiveness of internal control over compliance. Accordingly, we do not express an opinion on the effectiveness of the State's internal control over compliance.

Our consideration of internal control over compliance was for the limited purpose described in the preceding paragraph and was not designed to identify all deficiencies in internal control over compliance that might be material weaknesses or significant deficiencies and therefore, material weaknesses or significant deficiencies may exist that were not identified. However, as discussed below, we identified certain deficiencies in internal control over compliance that we consider to be material weaknesses and significant deficiencies.

A deficiency in internal control over compliance exists when the design or operation of a control over compliance does not allow management or employees, in the normal course of performing their assigned functions, to prevent, or detect and correct, noncompliance with a type of compliance requirement of a federal program on a timely basis. *A material weakness in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance, such that there is reasonable possibility that material noncompliance with a type of compliance requirement of a federal program will not be prevented, or detected and corrected, on a timely basis. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questioned costs as items 2018-006, 2018-011, 2018-031, 2018-035, 2018-038 through 2018-040, and 2018-044 through 2018-048 to be material weaknesses.

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Members of the General Assembly
March 8, 2019

A *significant deficiency in internal control over compliance* is a deficiency, or a combination of deficiencies, in internal control over compliance with a type of compliance requirement of a federal program that is less severe than a material weakness in internal control over compliance, yet important enough to merit attention by those charged with governance. We consider the deficiencies in internal control over compliance described in the accompanying schedule of findings and questions costs as items 2018-001 through 2018-005, 2018-007 through 2018-010, 2018-012 through 2018-030, 2018-032 through 2018-034, 2018-036, 2018-037, and 2018-041 through 2018-043 to be significant deficiencies.

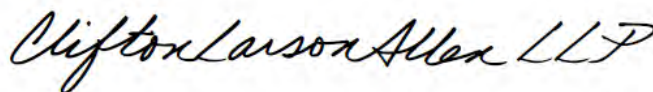
The State's responses to the internal control over compliance findings identified in our audit are described in the accompanying Schedule of Findings and Questioned Costs and Appendix B – Agency Corrective Action Plans to Findings and Recommendations. The State's responses were not subjected to the auditing procedures applied in the audit of compliance and, accordingly, we express no opinion on the responses. The purpose of this report on internal control over compliance is solely to describe the scope of our testing of internal control over compliance and the results of that testing based on the requirements of the Uniform Guidance. Accordingly, this report is not suitable for any other purpose.

Report on Schedule of Expenditures of Federal Awards Required by the Uniform Guidance

We have jointly audited the financial statements of the governmental activities, the business-type activities, the aggregate discretely presented component units, each major fund, and the aggregate remaining fund information of the State of South Carolina as of and for the year ended June 30, 2018, and have issued our report thereon dated November 15, 2018 which contained unmodified opinions on those financial statements. Our audit was conducted for the purpose of forming opinions on the financial statements as a whole. The accompanying schedule of expenditures of federal awards is presented for purposes of additional analysis as required by the Uniform Guidance and is not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the schedule of expenditures of federal awards is fairly stated in all material respects in relation to the basic financial statements taken as a whole.



Columbia, South Carolina
March 8, 2019



Baltimore, Maryland
March 8, 2019

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**Schedule of Expenditures of Federal Awards by Federal
Grantor and CFDA Number**

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| Clusters | | | |
| Department of Agriculture | | | |
| SNAP Cluster | | | |
| 10.551 Supplemental Nutrition Assistance Program | | | |
| Direct | | \$ 973,350,958 | - |
| 10.551 Supplemental Nutrition Assistance Program Total | | 973,350,958 | - |
| 10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program | | | |
| Direct | | 27,128,217 | 1,009,840 |
| 10.561 State Administrative Matching Grants for the Supplemental Nutrition Assistance Program Total | | 27,128,217 | 1,009,840 |
| SNAP Cluster Total | | 1,000,479,175 | 1,009,840 |
| Child Nutrition Cluster | | | |
| 10.555 National School Lunch Program | | | |
| Direct | | 330,210,096 | 301,773,216 |
| 10.555 National School Lunch Program Total | | 330,210,096 | 301,773,216 |
| Child Nutrition Cluster Total | | 330,210,096 | 301,773,216 |
| Food Distribution Cluster | | | |
| 10.565 Commodity Supplemental Food Program | | | |
| Direct | | 453,637 | - |
| 10.565 Commodity Supplemental Food Program Total | | 453,637 | - |
| 10.568 Emergency Food Assistance Program (Administrative Costs) | | | |
| Direct | | 1,071,221 | 996,000 |
| 10.568 Emergency Food Assistance Program (Administrative Costs) Total | | 1,071,221 | 996,000 |
| 10.569 Emergency Food Assistance Program (Food Commodities) | | | |
| Direct | | 7,670,133 | - |
| 10.569 Emergency Food Assistance Program (Food Commodities) Total | | 7,670,133 | - |
| Food Distribution Cluster Total | | 9,194,991 | 996,000 |
| Department of Agriculture Total | | 1,339,884,262 | 303,779,056 |
| Department of Housing and Urban Development | | | |
| CDBG - Entitlement Grants Cluster | | | |
| 14.218 Community Development Block Grants/Entitlement Grants | | | |
| Direct | | 58,285,999 | - |
| 14.218 Community Development Block Grants/Entitlement Grants Total | | 58,285,999 | - |
| CDBG - Entitlement Grants Cluster Total | | 58,285,999 | - |
| Department of Housing and Urban Development Total | | 58,285,999 | - |
| Department of the Interior | | | |
| Fish and Wildlife Cluster | | | |
| 15.605 Sport Fish Restoration | | | |
| Direct | | 1,977,088 | 1,741,911 |
| 15.605 Sport Fish Restoration Total | | 1,977,088 | 1,741,911 |
| 15.611 Wildlife Restoration and Basic Hunter Education | | | |
| Direct | | 9,358,620 | 10,000 |
| The Nature Conservancy | | | |

| Grantor/CFDA/CFDA Title Clusters | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|-------------------------|------------------------------|
| | SCDNR-FY2017-001 | 12,375 | 12,375 |
| The Nature Conservancy Total | | 12,375 | 12,375 |
| 15.611 Wildlife Restoration and Basic Hunter Education Total | | 9,370,995 | 22,375 |
| Fish and Wildlife Cluster Total | | 11,348,083 | 1,764,286 |
| Department of the Interior Total | | 11,348,083 | 1,764,286 |
| Department of Labor | | | |
| WIOA Cluster | | | |
| 17.258 WIOA Adult Program | | | |
| Department of Employment and Workforce | 16TPG01 | 448,090 | 448,090 |
| Department of Employment and Workforce Total | | 448,090 | 448,090 |
| 17.258 WIOA Adult Program Total | | 448,090 | 448,090 |
| 17.278 WIOA Dislocated Worker Formula Grants | | | |
| Department of Employment and Workforce | 17RRDOC | 73,296 | - |
| | 17RRDOC02 | 9,964 | - |
| Department of Employment and Workforce Total | | 83,260 | - |
| 17.278 WIOA Dislocated Worker Formula Grants Total | | 83,260 | - |
| WIOA Cluster Total | | 531,350 | 448,090 |
| Department of Labor Total | | 531,350 | 448,090 |
| Department of Transportation | | | |
| Highway Planning and Construction Cluster | | | |
| 20.219 Recreational Trails Program | | | |
| Direct | | 1,284,411 | 1,192,637 |
| 20.219 Recreational Trails Program Total | | 1,284,411 | 1,192,637 |
| Highway Planning and Construction Cluster Total | | 1,284,411 | 1,192,637 |
| Highway Safety Cluster | | | |
| 20.600 State and Community Highway Safety | | | |
| Direct | | 3,840,849 | 2,622,861 |
| 20.600 State and Community Highway Safety Total | | 3,840,849 | 2,622,861 |
| 20.616 National Priority Safety Programs | | | |
| Direct | | 4,570,056 | 1,128,472 |
| 20.616 National Priority Safety Programs Total | | 4,570,056 | 1,128,472 |
| Highway Safety Cluster Total | | 8,410,905 | 3,751,333 |
| Department of Transportation Total | | 9,695,316 | 4,943,970 |
| Environmental Protection Agency | | | |
| Clean Water State Revolving Fund Cluster | | | |
| 66.458 Capitalization Grants for Clean Water State Revolving Funds | | | |
| Direct | | 75,768,650 | 75,197,778 |
| 66.458 Capitalization Grants for Clean Water State Revolving Funds Total | | 75,768,650 | 75,197,778 |
| Clean Water State Revolving Fund Cluster Total | | 75,768,650 | 75,197,778 |
| Drinking Water State Revolving Fund Cluster | | | |
| 66.468 Capitalization Grants for Drinking Water State Revolving Funds | | | |
| Direct | | 42,877,854 | 40,729,120 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|----------------------------------|-----------------------------|----------------------------------|
| Clusters | | | |
| 66.468 Capitalization Grants for Drinking Water State Revolving Funds Total | | 42,877,854 | 40,729,120 |
| Drinking Water State Revolving Fund Cluster Total | | 42,877,854 | 40,729,120 |
| Environmental Protection Agency Total | | 118,646,504 | 115,926,898 |
| Department of Education | | | |
| Special Education Cluster (IDEA) | | | |
| 84.027 Special Education Grants to States | | | |
| Direct | | 198,138,088 | 179,275,546 |
| 84.027 Special Education Grants to States Total | | 198,138,088 | 179,275,546 |
| 84.173 Special Education Preschool Grants | | | |
| Direct | | 6,528,520 | 6,528,520 |
| 84.173 Special Education Preschool Grants Total | | 6,528,520 | 6,528,520 |
| Special Education Cluster (IDEA) Total | | 204,666,608 | 185,804,066 |
| Department of Education Total | | 204,666,608 | 185,804,066 |
| Department of Health and Human Services | | | |
| Aging Cluster | | | |
| 93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers | | | |
| Direct | | 7,967,530 | 7,481,719 |
| 93.044 Special Programs for the Aging, Title III, Part B, Grants for Supportive Services and Senior Centers Total | | 7,967,530 | 7,481,719 |
| 93.045 Special Programs for the Aging, Title III, Part C, Nutrition Services | | | |
| Direct | | 7,958,415 | 7,387,813 |
| 93.045 Special Programs for the Aging, Title III, Part C, Nutrition Services Total | | 7,958,415 | 7,387,813 |
| 93.053 Nutrition Services Incentive Program | | | |
| Direct | | 1,812,075 | 1,812,075 |
| 93.053 Nutrition Services Incentive Program Total | | 1,812,075 | 1,812,075 |
| Aging Cluster Total | | 17,738,020 | 16,681,607 |
| CCDF Cluster | | | |
| 93.575 Child Care and Development Block Grant | | | |
| Direct | | 47,003,703 | - |
| 93.575 Child Care and Development Block Grant Total | | 47,003,703 | - |
| 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund | | | |
| Direct | | 30,968,772 | - |
| 93.596 Child Care Mandatory and Matching Funds of the Child Care and Development Fund Total | | 30,968,772 | - |
| CCDF Cluster Total | | 77,972,475 | - |
| Medicaid Cluster | | | |
| 93.775 State Medicaid Fraud Control Units | | | |
| Direct | | 1,097,781 | - |
| 93.775 State Medicaid Fraud Control Units Total | | 1,097,781 | - |
| 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare | | | |
| Direct | | 5,263,302 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|-------------------------------|----------------------|---------------------------|
| Clusters | | | |
| 93.777 State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare Total | | 5,263,302 | - |
| 93.778 Medical Assistance Program | | | |
| Direct | | 4,891,435,142 | - |
| 93.778 Medical Assistance Program Total | | 4,891,435,142 | - |
| Medicaid Cluster Total | | 4,897,796,225 | - |
| TANF Cluster | | | |
| 93.558 Temporary Assistance for Needy Families | | | |
| Direct | | 120,310,197 | - |
| 93.558 Temporary Assistance for Needy Families Total | | 120,310,197 | - |
| TANF Cluster Total | | 120,310,197 | - |
| Maternal, Infant, and Early Childhood Home Visiting Cluster | | | |
| 93.505 Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program | | | |
| The Children's Trust of South Carolina | | | |
| | X02MC28246; S-MIEC-F-2015-5-1 | 15,326 | - |
| | X01MC29503; S-MIEC-F-2015-5-1 | 65,028 | - |
| The Children's Trust of South Carolina Total | | 80,354 | - |
| 93.505 Affordable Care Act (ACA) Maternal, Infant, and Early Childhood Home Visiting Program Total | | 80,354 | - |
| Maternal, Infant, and Early Childhood Home Visiting Cluster Total | | 80,354 | - |
| Department of Health and Human Services Total | | 5,113,897,271 | 16,681,607 |
| Social Security Administration | | | |
| Disability Insurance/SSI Cluster | | | |
| 96.001 Social Security Disability Insurance | | | |
| Direct | | 43,526,105 | - |
| 96.001 Social Security Disability Insurance Total | | 43,526,105 | - |
| Disability Insurance/SSI Cluster Total | | 43,526,105 | - |
| Social Security Administration Total | | 43,526,105 | - |
| Research and Development Cluster | | | |
| Department of Agriculture | | | |
| 10.054 Emergency Conservation Program | | | |
| Clemson University | | | |
| | 1810-207-2020791 | 110,101 | - |
| Clemson University Total | | 110,101 | - |
| 10.054 Emergency Conservation Program Total | | 110,101 | - |
| 10.200 Grants for Agricultural Research, Special Research Grants | | | |
| Mississippi State University | | | |
| | 2016-38500-25752 | 9,678 | - |
| Mississippi State University Total | | 9,678 | - |
| 10.200 Grants for Agricultural Research, Special Research Grants Total | | 9,678 | - |
| 10.676 Forest Legacy Program | | | |
| Direct | | 205 | - |
| 10.676 Forest Legacy Program Total | | 205 | - |
| 10.931 Agricultural Conservation Easement Program | | | |
| Direct | | 38,783 | - |
| 10.931 Agricultural Conservation Easement Program Total | | 38,783 | - |
| Department of Agriculture Total | | 158,767 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| Clusters | | | |
| Department of Commerce | | | |
| 11.012 Integrated Ocean Observing System (IOOS) | | | |
| Southeast Coastal Ocean Observing Regional Association | | | |
| | IOOS.16(028)SCDNR.DS.OBS | 66,270 | - |
| Southeast Coastal Ocean Observing Regional Association Total | | 66,270 | - |
| 11.012 Integrated Ocean Observing System (IOOS) Total | | 66,270 | - |
| 11.407 Interjurisdictional Fisheries Act of 1986 | | | |
| Direct | | 22,269 | - |
| 11.407 Interjurisdictional Fisheries Act of 1986 Total | | 22,269 | - |
| 11.417 Sea Grant Support | | | |
| Direct | | 1,359,555 | 467,253 |
| University of South Carolina | | | |
| | 16-3103-21600-FC54 | 3,936 | - |
| University of South Carolina Total | | 3,936 | - |
| 11.417 Sea Grant Support Total | | 1,363,491 | 467,253 |
| 11.419 Coastal Zone Management Administration Awards | | | |
| The Regents of the University of Michigan | | | |
| | 3003762773 | 157,637 | - |
| The Regents of the University of Michigan Total | | 157,637 | - |
| The Board of Regents of the University System of Georgia | | | |
| | 3003762773 | 21,786 | 21,786 |
| | RR534110/S001265 | 13,013 | - |
| | RR534-133/S001597 | 4,824 | - |
| The Board of Regents of the University System of Georgia Total | | 39,623 | 21,786 |
| 11.419 Coastal Zone Management Administration Awards Total | | 197,260 | 21,786 |
| 11.420 Coastal Zone Management Estuarine Research Reserves | | | |
| Direct | | 583,762 | - |
| 11.420 Coastal Zone Management Estuarine Research Reserves Total | | 583,762 | - |
| 11.427 Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program | | | |
| Direct | | 90,589 | 87,455 |
| 11.427 Fisheries Development and Utilization Research and Development Grants and Cooperative Agreements Program Total | | 90,589 | 87,455 |
| 11.431 Climate and Atmospheric Research | | | |
| Direct | | 91,395 | 82,358 |
| University of South Carolina | | | |
| | NA11OAR4310148 | 18,980 | - |
| | 17-3252 | 19,235 | - |
| | NA16OAR4310163 | 25,359 | - |
| University of South Carolina Total | | 63,574 | - |
| 11.431 Climate and Atmospheric Research Total | | 154,969 | 82,358 |
| 11.433 Marine Fisheries Initiative | | | |
| Direct | | 51,900 | - |
| 11.433 Marine Fisheries Initiative Total | | 51,900 | - |
| 11.434 Cooperative Fishery Statistics | | | |
| Direct | | 149,382 | - |
| 11.434 Cooperative Fishery Statistics Total | | 149,382 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|---------------------------|----------------------|---------------------------|
| Clusters | | | |
| 11.435 Southeast Area Monitoring and Assessment Program | | | |
| Direct | | 770,600 | 28,444 |
| 11.435 Southeast Area Monitoring and Assessment Program Total | | 770,600 | 28,444 |
| 11.454 Unallied Management Projects | | | |
| Direct | | 1,366,660 | 18,436 |
| Florida State University | R0158 | 5,264 | - |
| Florida State University Total | | 5,264 | - |
| 11.454 Unallied Management Projects Total | | 1,371,924 | 18,436 |
| 11.463 Habitat Conservation | | | |
| National Fish and Wildlife Foundation | 0304.15.049338 | 14,711 | - |
| National Fish and Wildlife Foundation Total | | 14,711 | - |
| 11.463 Habitat Conservation Total | | 14,711 | - |
| 11.472 Unallied Science Program | | | |
| Direct | | 760,816 | 40,452 |
| 11.472 Unallied Science Program Total | | 760,816 | 40,452 |
| 11.473 Office for Coastal Management | | | |
| Direct | | 124,718 | 121,520 |
| 11.473 Office for Coastal Management Total | | 124,718 | 121,520 |
| 11.474 Atlantic Coastal Fisheries Cooperative Management Act | | | |
| Direct | | 444,433 | - |
| 11.474 Atlantic Coastal Fisheries Cooperative Management Act Total | | 444,433 | - |
| Department of Commerce Total | | 6,167,094 | 867,704 |
| Department of Defense | | | |
| 12.107 Navigation Projects | | | |
| Direct | | 527,603 | - |
| 12.107 Navigation Projects Total | | 527,603 | - |
| Department of Defense Total | | 527,603 | - |
| Department of the Interior | | | |
| 15.408 Bureau of Ocean Energy Management Renewable Energy | | | |
| Direct | | 92,279 | 91,899 |
| 15.408 Bureau of Ocean Energy Management Renewable Energy Total | | 92,279 | 91,899 |
| 15.424 Marine Minerals Activities | | | |
| Direct | | 180,675 | 97,575 |
| 15.424 Marine Minerals Activities Total | | 180,675 | 97,575 |
| 15.605 Sport Fish Restoration | | | |
| Direct | | 4,624,466 | - |
| 15.605 Sport Fish Restoration Total | | 4,624,466 | - |
| 15.608 Fish and Wildlife Management Assistance | | | |
| Direct | | 19,206 | - |
| Southeast Aquatic Resources Partnership | NFWF_2016_ACF- | 31,854 | - |
| Southeast Aquatic Resources Partnership Total | | 31,854 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|----------------------------------|-----------------------------|----------------------------------|
| Clusters | | | |
| 15.608 Fish and Wildlife Management Assistance Total | | 51,060 | - |
| 15.611 Wildlife Restoration and Basic Hunter Education | | | |
| Direct | | 448,312 | 19,525 |
| 15.611 Wildlife Restoration and Basic Hunter Education Total | | 448,312 | 19,525 |
| 15.615 Cooperative Endangered Species Conservation Fund | | | |
| Direct | | 207,916 | 25,171 |
| 15.615 Cooperative Endangered Species Conservation Fund Total | | 207,916 | 25,171 |
| 15.630 Coastal | | | |
| Direct | | 10,466 | - |
| 15.630 Coastal Total | | 10,466 | - |
| 15.634 State Wildlife Grants | | | |
| Direct | | 596,026 | 110,173 |
| 15.634 State Wildlife Grants Total | | 596,026 | 110,173 |
| 15.657 Endangered Species Conservation – Recovery Implementation Funds | | | |
| Direct | | 45,865 | - |
| 15.657 Endangered Species Conservation – Recovery Implementation Funds Total | | 45,865 | - |
| 15.660 Endangered Species - Candidate Conservation Action Funds | | | |
| Direct | | 5,367 | 5,367 |
| 15.660 Endangered Species - Candidate Conservation Action Funds Total | | 5,367 | 5,367 |
| 15.663 National Fish and Wildlife Foundation | | | |
| Direct | | 6,149 | - |
| 15.663 National Fish and Wildlife Foundation Total | | 6,149 | - |
| 15.669 Cooperative Landscape Conservation | | | |
| Direct | | 12,930 | - |
| 15.669 Cooperative Landscape Conservation Total | | 12,930 | - |
| 15.808 U.S. Geological Survey Research and Data Collection | | | |
| Direct | | 4,750 | 4,750 |
| 15.808 U.S. Geological Survey Research and Data Collection Total | | 4,750 | 4,750 |
| 15.810 National Cooperative Geologic Mapping | | | |
| Direct | | 94,138 | - |
| 15.810 National Cooperative Geologic Mapping Total | | 94,138 | - |
| 15.814 National Geological and Geophysical Data Preservation | | | |
| Direct | | 29,099 | - |
| 15.814 National Geological and Geophysical Data Preservation Total | | 29,099 | - |
| 15.980 National Ground-Water Monitoring Network | | | |
| Direct | | 5,229 | - |
| 15.980 National Ground-Water Monitoring Network Total | | 5,229 | - |
| Department of the Interior Total | | 6,414,727 | 354,460 |
| Environmental Protection Agency | | | |
| 66.461 Regional Wetland Program Development Grants | | | |
| Direct | | 94,914 | - |
| 66.461 Regional Wetland Program Development Grants Total | | 94,914 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| Clusters | | | |
| Environmental Protection Agency Total | | 94,914 | - |
| Department of Energy | | | |
| 81.089 Fossil Energy Research and Development | | | |
| Southern States Energy Board | SSEB-SOSRA-981-SCGS- | 16,225 | - |
| Southern States Energy Board Total | | 16,225 | - |
| 81.089 Fossil Energy Research and Development Total | | 16,225 | - |
| 81.214 Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis | | | |
| Direct | | 145,442 | - |
| 81.214 Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis Total | | 145,442 | - |
| Department of Energy Total | | 161,667 | - |
| Department of Health and Human Services | | | |
| 93.073 Birth Defects and Developmental Disabilities - Prevention and Surveillance | | | |
| Direct | | 154,386 | 70,088 |
| 93.073 Birth Defects and Developmental Disabilities - Prevention and Surveillance Total | | 154,386 | 70,088 |
| 93.103 Food and Drug Administration Research | | | |
| Direct | | 326,071 | - |
| 93.103 Food and Drug Administration Research Total | | 326,071 | - |
| 93.184 Disabilities Prevention | | | |
| University of South Carolina | 6NU27DD000011-01-02 | - | - |
| | 5NU27DD00011-02-00 | 17,013 | - |
| University of South Carolina Total | | 17,013 | - |
| 93.184 Disabilities Prevention Total | | 17,013 | - |
| 93.315 Rare Disorders: Research, Surveillance, Health Promotion, and Education | | | |
| Direct | | 553,038 | 257,941 |
| 93.315 Rare Disorders: Research, Surveillance, Health Promotion, and Education Total | | 553,038 | 257,941 |
| 93.564 Child Support Enforcement Research | | | |
| Direct | | 148,760 | - |
| 93.564 Child Support Enforcement Research Total | | 148,760 | - |
| 93.876 Antimicrobial Resistance Surveillance in Retail Food Specimens | | | |
| Direct | | 110,942 | - |
| 93.876 Antimicrobial Resistance Surveillance in Retail Food Specimens Total | | 110,942 | - |
| 93.946 Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs | | | |
| Direct | | 159,732 | - |
| 93.946 Cooperative Agreements to Support State-Based Safe Motherhood and Infant Health Initiative Programs Total | | 159,732 | - |
| Department of Health and Human Services Total | | 1,469,942 | 328,029 |
| Department of Homeland Security | | | |
| 97.005 State and Local Homeland Security National Training Program | | | |
| Direct | | 59,100 | 8,136 |
| 97.005 State and Local Homeland Security National Training Program Total | | 59,100 | 8,136 |
| Department of Homeland Security Total | | 59,100 | 8,136 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|---------------------------|----------------------|---------------------------|
| Clusters | | | |
| Federal Bureau of Investigation | | | |
| 99.999 Federal Bureau of Investigation Facilities Contracts Unit | | | |
| Direct | | 7,240 | - |
| 99.999 Federal Bureau of Investigation Facilities Contracts Unit Total | | 7,240 | - |
| Federal Bureau of Investigation Total | | 7,240 | - |
| Total Research and Development Cluster | | 15,061,054 | 1,558,329 |
| Total Clusters | | 6,915,542,552 | 630,906,302 |
| NonCluster Programs | | | |
| Department of Agriculture | | | |
| 10.156 Federal-State Marketing Improvement Program | | | |
| Direct | | 17,505 | - |
| 10.156 Federal-State Marketing Improvement Program Total | | 17,505 | - |
| 10.162 Inspection Grading and Standardization | | | |
| Direct | | 2,379,285 | - |
| 10.162 Inspection Grading and Standardization Total | | 2,379,285 | - |
| 10.170 Specialty Crop Block Grant Program - Farm Bill | | | |
| Direct | | 446,516 | 281,426 |
| 10.170 Specialty Crop Block Grant Program - Farm Bill Total | | 446,516 | 281,426 |
| 10.171 Organic Certification Cost Share Programs | | | |
| Direct | | 33,043 | - |
| 10.171 Organic Certification Cost Share Programs Total | | 33,043 | - |
| 10.225 Community Food Projects | | | |
| Direct | | 15,956 | - |
| 10.225 Community Food Projects Total | | 15,956 | - |
| 10.557 WIC Special Supplemental Nutrition Program for Women, Infants, and Children | | | |
| Direct | | 81,855,437 | 785,568 |
| 10.557 WIC Special Supplemental Nutrition Program for Women, Infants, and Children Total | | 81,855,437 | 785,568 |
| 10.558 Child and Adult Care Food Program | | | |
| Direct | | 37,833,287 | 37,307,141 |
| 10.558 Child and Adult Care Food Program Total | | 37,833,287 | 37,307,141 |
| 10.560 State Administrative Expenses for Child Nutrition | | | |
| Direct | | 4,464,327 | - |
| 10.560 State Administrative Expenses for Child Nutrition Total | | 4,464,327 | - |
| 10.572 WIC Farmers' Market Nutrition Program (FMNP) | | | |
| Direct | | 122,884 | - |
| 10.572 WIC Farmers' Market Nutrition Program (FMNP) Total | | 122,884 | - |
| 10.574 Team Nutrition Grants | | | |
| Direct | | 196,376 | - |
| 10.574 Team Nutrition Grants Total | | 196,376 | - |
| 10.575 Farm to School Grant Program | | | |
| Direct | | 12,541 | - |
| 10.575 Farm to School Grant Program Total | | 12,541 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 10.576 Senior Farmers Market Nutrition Program | | | |
| Direct | | 557,208 | - |
| 10.576 Senior Farmers Market Nutrition Program Total | | 557,208 | - |
| 10.578 WIC Grants To States (WGS) | | | |
| Direct | | 378,806 | - |
| 10.578 WIC Grants To States (WGS) Total | | 378,806 | - |
| 10.579 Child Nutrition Discretionary Grants Limited Availability | | | |
| Direct | | 466,255 | 466,255 |
| 10.579 Child Nutrition Discretionary Grants Limited Availability Total | | 466,255 | 466,255 |
| 10.582 Fresh Fruit and Vegetable Program | | | |
| Direct | | 2,829,250 | 2,829,250 |
| 10.582 Fresh Fruit and Vegetable Program Total | | 2,829,250 | 2,829,250 |
| 10.599 South Carolina SNAP Recipient Trafficking Prosecution Pilot | | | |
| Direct | | 38,486 | - |
| 10.599 South Carolina SNAP Recipient Trafficking Prosecution Pilot Total | | 38,486 | - |
| 10.652 Forestry Research | | | |
| Direct | | 376,972 | - |
| 10.652 Forestry Research Total | | 376,972 | - |
| 10.664 Cooperative Forestry Assistance | | | |
| Direct | | 2,582,617 | 525,832 |
| 10.664 Cooperative Forestry Assistance Total | | 2,582,617 | 525,832 |
| 10.676 Forest Legacy Program | | | |
| Direct | | 28,145 | - |
| 10.676 Forest Legacy Program Total | | 28,145 | - |
| 10.678 Forest Stewardship Program | | | |
| Direct | | 168,072 | - |
| 10.678 Forest Stewardship Program Total | | 168,072 | - |
| 10.680 Forest Health Protection | | | |
| Direct | | 271,927 | 233,300 |
| 10.680 Forest Health Protection Total | | 271,927 | 233,300 |
| 10.855 Distance Learning and Telemedicine Loans and Grants | | | |
| Direct | | 18,750 | - |
| 10.855 Distance Learning and Telemedicine Loans and Grants Total | | 18,750 | - |
| 10.890 Rural Development Cooperative Agreement Program | | | |
| Direct | | 11,877 | 5,875 |
| 10.890 Rural Development Cooperative Agreement Program Total | | 11,877 | 5,875 |
| 10.902 Soil and Water Conservation | | | |
| Direct | | 124,376 | 13,824 |
| 10.902 Soil and Water Conservation Total | | 124,376 | 13,824 |
| 10.912 Environmental Quality Incentives Program | | | |
| Direct | | 118,283 | - |
| 10.912 Environmental Quality Incentives Program Total | | 118,283 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| Department of Agriculture Total | | 135,348,181 | 42,448,471 |
| Department of Commerce | | | |
| 11.419 Coastal Zone Management Administration Awards | | | |
| Direct | | 2,369,041 | 41,160 |
| 11.419 Coastal Zone Management Administration Awards Total | | 2,369,041 | 41,160 |
| 11.473 Office for Coastal Management | | | |
| Direct | | 15,156 | - |
| 11.473 Office for Coastal Management Total | | 15,156 | - |
| 11.999 Marine Debris Program | | | |
| Direct | | 296,671 | - |
| 11.999 Marine Debris Program Total | | 296,671 | - |
| Department of Commerce Total | | 2,680,868 | 41,160 |
| Department of Defense | | | |
| 12.113 State Memorandum of Agreement Program for the Reimbursement of Technical Services | | | |
| Direct | | 931,923 | - |
| 12.113 State Memorandum of Agreement Program for the Reimbursement of Technical Services Total | | 931,923 | - |
| 12.400 Military Construction, National Guard | | | |
| Direct | | 1,610,918 | - |
| 12.400 Military Construction, National Guard Total | | 1,610,918 | - |
| 12.401 National Guard Military Operations and Maintenance (O&M) Projects | | | |
| Direct | | 29,793,251 | - |
| 12.401 National Guard Military Operations and Maintenance (O&M) Projects Total | | 29,793,251 | - |
| 12.404 National Guard ChalleNGe Program | | | |
| Direct | | 2,699,874 | - |
| 12.404 National Guard ChalleNGe Program Total | | 2,699,874 | - |
| Department of Defense Total | | 35,035,966 | - |
| Department of Housing and Urban Development | | | |
| 14.228 Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii | | | |
| Direct | | 17,372,976 | 16,751,895 |
| 14.228 Community Development Block Grants/State's program and Non-Entitlement Grants in Hawaii Total | | 17,372,976 | 16,751,895 |
| 14.231 Emergency Solutions Grant Program | | | |
| Direct | | 2,415,183 | 2,262,490 |
| 14.231 Emergency Solutions Grant Program Total | | 2,415,183 | 2,262,490 |
| 14.241 Housing Opportunities for Persons with AIDS | | | |
| Direct | | 1,494,469 | 1,441,293 |
| 14.241 Housing Opportunities for Persons with AIDS Total | | 1,494,469 | 1,441,293 |
| 14.267 Continuum of Care Program | | | |
| Direct | | 1,007,587 | 1,007,587 |
| 14.267 Continuum of Care Program Total | | 1,007,587 | 1,007,587 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 14.401 Fair Housing Assistance Program State and Local | | | |
| Direct | | 324,802 | - |
| 14.401 Fair Housing Assistance Program State and Local Total | | 324,802 | - |
| Department of Housing and Urban Development Total | | 22,615,017 | 21,463,265 |
| Department of the Interior | | | |
| 15.608 Fish and Wildlife Management Assistance | | | |
| Direct | | 39,321 | - |
| 15.608 Fish and Wildlife Management Assistance Total | | 39,321 | - |
| 15.614 Coastal Wetlands Planning, Protection and Restoration | | | |
| Direct | | 1,846,689 | - |
| 15.614 Coastal Wetlands Planning, Protection and Restoration Total | | 1,846,689 | - |
| 15.616 Clean Vessel Act | | | |
| Direct | | 808,543 | 508,722 |
| 15.616 Clean Vessel Act Total | | 808,543 | 508,722 |
| 15.622 Sportfishing and Boating Safety Act | | | |
| Direct | | 589,951 | 502,324 |
| 15.622 Sportfishing and Boating Safety Act Total | | 589,951 | 502,324 |
| 15.623 North American Wetlands Conservation Fund | | | |
| The Nature Conservancy | SCF0-SCDNR-2017 | 10,281 | - |
| The Nature Conservancy Total | | 10,281 | - |
| 15.623 North American Wetlands Conservation Fund Total | | 10,281 | - |
| 15.626 Enhanced Hunter Education and Safety | | | |
| Direct | | 170,188 | - |
| 15.626 Enhanced Hunter Education and Safety Total | | 170,188 | - |
| 15.630 Coastal | | | |
| Direct | | 40,056 | - |
| 15.630 Coastal Total | | 40,056 | - |
| 15.634 State Wildlife Grants | | | |
| Direct | | 212,421 | - |
| 15.634 State Wildlife Grants Total | | 212,421 | - |
| 15.644 Federal Junior Duck Stamp Conservation and Design | | | |
| Direct | | 1,591 | - |
| 15.644 Federal Junior Duck Stamp Conservation and Design Total | | 1,591 | - |
| 15.655 Migratory Bird Monitoring, Assessment and Conservation | | | |
| Direct | | 5,400 | - |
| 15.655 Migratory Bird Monitoring, Assessment and Conservation Total | | 5,400 | - |
| 15.657 Endangered Species Conservation – Recovery Implementation Funds | | | |
| Direct | | 226 | - |
| 15.657 Endangered Species Conservation – Recovery Implementation Funds Total | | 226 | - |
| 15.904 Historic Preservation Fund Grants-In-Aid | | | |
| Direct | | 824,022 | 187,744 |
| 15.904 Historic Preservation Fund Grants-In-Aid Total | | 824,022 | 187,744 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 15.916 Outdoor Recreation Acquisition, Development and Planning | | | |
| Direct | | 586,919 | 586,919 |
| 15.916 Outdoor Recreation Acquisition, Development and Planning Total | | 586,919 | 586,919 |
| 15.939 National Heritage Area Federal Financial Assistance | | | |
| South Carolina National Heritage Corridor | | | |
| | None | 32,590 | - |
| South Carolina National Heritage Corridor Total | | 32,590 | - |
| 15.939 National Heritage Area Federal Financial Assistance Total | | 32,590 | - |
| 15.954 National Park Service Conservation, Protection, Outreach, and Education | | | |
| Direct | | 59,800 | - |
| 15.954 National Park Service Conservation, Protection, Outreach, and Education Total | | 59,800 | - |
| Department of the Interior Total | | 5,227,998 | 1,785,709 |
| Department of Justice | | | |
| 16.017 Sexual Assault Services Formula Program | | | |
| Direct | | 374,944 | 359,090 |
| 16.017 Sexual Assault Services Formula Program Total | | 374,944 | 359,090 |
| 16.321 Antiterrorism Emergency Reserve | | | |
| Medical University of South Carolina | | | |
| | 2016-RF-GX-0001 | 125,643 | - |
| Medical University of South Carolina Total | | 125,643 | - |
| 16.321 Antiterrorism Emergency Reserve Total | | 125,643 | - |
| 16.523 Juvenile Accountability Block Grants | | | |
| Direct | | 99,378 | 98,076 |
| 16.523 Juvenile Accountability Block Grants Total | | 99,378 | 98,076 |
| 16.540 Juvenile Justice and Delinquency Prevention | | | |
| Direct | | 535,585 | 441,065 |
| 16.540 Juvenile Justice and Delinquency Prevention Total | | 535,585 | 441,065 |
| 16.543 Missing Children's Assistance | | | |
| Direct | | 313,927 | - |
| 16.543 Missing Children's Assistance Total | | 313,927 | - |
| 16.550 State Justice Statistics Program for Statistical Analysis Centers | | | |
| Direct | | 51,948 | - |
| 16.550 State Justice Statistics Program for Statistical Analysis Centers Total | | 51,196 | - |
| 16.554 National Criminal History Improvement Program (NCHIP) | | | |
| Direct | | 897,133 | - |
| 16.554 National Criminal History Improvement Program (NCHIP) Total | | 897,133 | - |
| 16.560 National Institute of Justice Research, Evaluation, and Development Project Grants | | | |
| University of South Carolina | | | |
| | 2015-CK-BX-0018 | 257,598 | - |
| University of South Carolina Total | | 257,598 | - |
| WestEd | | | |
| | 30279 | 67,650 | - |
| WestEd Total | | 67,650 | - |
| 16.560 National Institute of Justice Research, Evaluation, and Development Project Grants Total | | 325,248 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 16.575 Crime Victim Assistance | | | |
| Direct | | 25,330,358 | 24,638,178 |
| 16.575 Crime Victim Assistance Total | | 25,330,358 | 24,638,178 |
| 16.576 Crime Victim Compensation | | | |
| Direct | | 1,416,984 | - |
| 16.576 Crime Victim Compensation Total | | 1,416,984 | - |
| 16.582 Crime Victim Assistance/Discretionary Grants | | | |
| Direct | | 116,148 | 111,506 |
| 16.582 Crime Victim Assistance/Discretionary Grants Total | | 116,148 | 111,506 |
| 16.593 Residential Substance Abuse Treatment for State Prisoners | | | |
| Direct | | 149,526 | 140,279 |
| 16.593 Residential Substance Abuse Treatment for State Prisoners Total | | 149,526 | 140,279 |
| 16.606 State Criminal Alien Assistance Program | | | |
| Direct | | 353,844 | - |
| 16.606 State Criminal Alien Assistance Program Total | | 353,844 | - |
| 16.735 PREA Program: Strategic Support for PREA Implementation | | | |
| Direct | | 105,126 | - |
| 16.735 PREA Program: Strategic Support for PREA Implementation Total | | 105,126 | - |
| 16.738 Edward Byrne Memorial Justice Assistance Grant Program | | | |
| Direct | | 2,651,902 | 2,420,014 |
| 16.738 Edward Byrne Memorial Justice Assistance Grant Program Total | | 2,651,902 | 2,420,014 |
| 16.741 DNA Backlog Reduction Program | | | |
| Direct | | 682,839 | - |
| 16.741 DNA Backlog Reduction Program Total | | 682,839 | - |
| 16.742 Paul Coverdell Forensic Sciences Improvement Grant Program | | | |
| Direct | | 122,959 | 108,799 |
| 16.742 Paul Coverdell Forensic Sciences Improvement Grant Program Total | | 122,959 | 108,799 |
| 16.750 Support for Adam Walsh Act Implementation Grant Program | | | |
| Direct | | 273,558 | - |
| 16.750 Support for Adam Walsh Act Implementation Grant Program Total | | 273,558 | - |
| 16.751 Edward Byrne Memorial Competitive Grant Program | | | |
| Direct | | 67,688 | 67,688 |
| 16.751 Edward Byrne Memorial Competitive Grant Program Total | | 67,688 | 67,688 |
| 16.812 Second Chance Act Reentry Initiative | | | |
| Direct | | 7,988 | - |
| National Juvenile Defender Center | 2015MUBXK002 | 20,273 | - |
| National Juvenile Defender Center Total | | 20,273 | - |
| 16.812 Second Chance Act Reentry Initiative Total | | 28,261 | - |
| 16.813 NICS Act Record Improvement Program | | | |
| Direct | | 745,831 | - |
| 16.813 NICS Act Record Improvement Program Total | | 745,831 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 16.816 John R. Justice Prosecutors and Defenders Incentive Act | | | |
| Direct | | 38,601 | - |
| 16.816 John R. Justice Prosecutors and Defenders Incentive Act Total | | 38,601 | - |
| 16.835 Body Worn Camera Policy and Implementation | | | |
| Direct | | 50,959 | - |
| 16.835 Body Worn Camera Policy and Implementation Total | | 50,959 | - |
| 16.922 Equitable Sharing Program | | | |
| Direct | | 583,776 | - |
| 16.922 Equitable Sharing Program Total | | 583,776 | - |
| 16.999 Drug Free Communities Support Program Grants | | | |
| Direct | | 90,328 | - |
| 16.999 Drug Free Communities Support Program Grants Total | | 90,328 | - |
| Department of Justice Total | | 35,532,494 | 28,384,695 |
| Department of Labor | | | |
| 17.005 Compensation and Working Conditions | | | |
| Direct | | 83,703 | - |
| 17.005 Compensation and Working Conditions Total | | 83,703 | - |
| 17.235 Senior Community Service Employment Program | | | |
| Direct | | 1,070,319 | 966,968 |
| 17.235 Senior Community Service Employment Program Total | | 1,070,319 | 966,968 |
| 17.261 WIOA Pilots, Demonstrations, and Research Projects | | | |
| Direct | | 1,487,141 | - |
| 17.261 WIOA Pilots, Demonstrations, and Research Projects Total | | 1,487,141 | - |
| 17.268 H-1B Job Training Grants | | | |
| Direct | | 1,485,310 | 1,035,986 |
| 17.268 H-1B Job Training Grants Total | | 1,485,310 | 1,035,986 |
| 17.285 Apprenticeship USA Grants | | | |
| Direct | | 505,979 | 305,893 |
| 17.285 Apprenticeship USA Grants Total | | 505,979 | 305,893 |
| 17.503 Occupational Safety and Health State Program | | | |
| Direct | | 2,003,519 | - |
| 17.503 Occupational Safety and Health State Program Total | | 2,003,519 | - |
| 17.504 Consultation Agreements | | | |
| Direct | | 773,969 | - |
| 17.504 Consultation Agreements Total | | 773,969 | - |
| 17.600 Mine Health and Safety Grants | | | |
| Direct | | 5,008 | - |
| 17.600 Mine Health and Safety Grants Total | | 5,008 | - |
| Department of Labor Total | | 7,414,948 | 2,308,847 |
| Department of Transportation | | | |
| 20.106 Airport Improvement Program | | | |
| Direct | | 1,625,875 | 182,364 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 20.106 Airport Improvement Program Total | | 1,625,875 | 182,364 |
| 20.218 Motor Carrier Safety Assistance | | | |
| Direct | | 3,331,716 | - |
| 20.218 Motor Carrier Safety Assistance Total | | 3,331,716 | - |
| 20.231 Performance and Registration Information Systems Management | | | |
| Direct | | 169,250 | - |
| 20.231 Performance and Registration Information Systems Management Total | | 169,250 | - |
| 20.232 Commercial Driver's License Program Implementation Grant | | | |
| Direct | | 93,070 | - |
| 20.232 Commercial Driver's License Program Implementation Grant Total | | 93,070 | - |
| 20.240 Fuel Tax Evasion-Intergovernmental Enforcement Effort | | | |
| Direct | | 3,059 | - |
| 20.240 Fuel Tax Evasion-Intergovernmental Enforcement Effort Total | | 3,059 | - |
| 20.614 National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements | | | |
| Direct | | 178,742 | - |
| 20.614 National Highway Traffic Safety Administration (NHTSA) Discretionary Safety Grants and Cooperative Agreements Total | | 178,742 | - |
| 20.703 Interagency Hazardous Materials Public Sector Training and Planning Grants | | | |
| Direct | | 221,295 | 218,832 |
| 20.703 Interagency Hazardous Materials Public Sector Training and Planning Grants Total | | 221,295 | 218,832 |
| Department of Transportation Total | | 5,623,007 | 401,196 |
| Appalachian Regional Commission | | | |
| 23.002 Appalachian Area Development | | | |
| Direct | | 1,271,786 | 1,271,786 |
| 23.002 Appalachian Area Development Total | | 1,271,786 | 1,271,786 |
| 23.011 Appalachian Research, Technical Assistance, and Demonstration Projects | | | |
| Direct | | 179,671 | 120,548 |
| 23.011 Appalachian Research, Technical Assistance, and Demonstration Projects Total | | 179,671 | 120,548 |
| Appalachian Regional Commission Total | | 1,451,457 | 1,392,334 |
| General Services Administration | | | |
| 39.003 Donation of Federal Surplus Personal Property | | | |
| Direct | | 5,653,271 | - |
| 39.003 Donation of Federal Surplus Personal Property Total | | 5,653,271 | - |
| 39.011 Election Reform Payments | | | |
| Direct | | 4,757 | - |
| 39.011 Election Reform Payments Total | | 4,757 | - |
| General Services Administration Total | | 5,658,028 | - |
| National Endowment for the Arts | | | |
| 45.310 Grants to States | | | |
| Direct | | 2,523,725 | 285,165 |
| 45.310 Grants to States Total | | 2,523,725 | 285,165 |
| 45.025 Promotion of the Arts Partnership Agreements | | | |
| Direct | | 917,101 | 234,660 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 45.025 Promotion of the Arts Partnership Agreements Total | | 917,101 | 234,660 |
| National Endowment for the Arts Total | | 3,440,826 | 519,825 |
| Small Business Administration | | | |
| 59.061 State Trade Expansion | | | |
| Direct | | 311,858 | 297,510 |
| 59.061 State Trade Expansion Total | | 311,858 | 297,510 |
| Small Business Administration Total | | 311,858 | 297,510 |
| Department of Veterans Affairs | | | |
| 64.124 All-Volunteer Force Educational Assistance | | | |
| Direct | | 315,657 | - |
| 64.124 All-Volunteer Force Educational Assistance Total | | 315,657 | - |
| Department of Veterans Affairs Total | | 315,657 | - |
| Environmental Protection Agency | | | |
| 66.034 Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act | | | |
| Direct | | 779,699 | - |
| 66.034 Surveys, Studies, Research, Investigations, Demonstrations, and Special Purpose Activities Relating to the Clean Air Act Total | | 779,699 | - |
| 66.039 National Clean Diesel Emissions Reduction Program | | | |
| Direct | | 397,383 | 334,746 |
| 66.039 National Clean Diesel Emissions Reduction Program Total | | 397,383 | 334,746 |
| 66.040 State Clean Diesel Grant Program | | | |
| Direct | | 379,840 | 312,872 |
| 66.040 State Clean Diesel Grant Program Total | | 379,840 | 312,872 |
| 66.204 Multipurpose Grants to States and Tribes | | | |
| Direct | | 36,546 | 36,546 |
| 66.204 Multipurpose Grants to States and Tribes Total | | 36,546 | 36,546 |
| 66.419 Water Pollution Control State, Interstate, and Tribal Program Support | | | |
| Direct | | 156,599 | - |
| 66.419 Water Pollution Control State, Interstate, and Tribal Program Support Total | | 156,599 | - |
| 66.454 Water Quality Management Planning | | | |
| Direct | | 120,618 | 65,673 |
| 66.454 Water Quality Management Planning Total | | 120,618 | 65,673 |
| 66.460 Nonpoint Source Implementation Grants | | | |
| Direct | | 2,070,447 | 1,043,654 |
| 66.460 Nonpoint Source Implementation Grants Total | | 2,070,447 | 1,043,654 |
| 66.461 Regional Wetland Program Development Grants | | | |
| Direct | | 194,922 | - |
| 66.461 Regional Wetland Program Development Grants Total | | 194,922 | - |
| 66.472 Beach Monitoring and Notification Program Implementation Grants | | | |
| Direct | | 1,955 | - |
| 66.472 Beach Monitoring and Notification Program Implementation Grants Total | | 1,955 | - |
| 66.605 Performance Partnership Grants | | | |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---|----------------------|---------------------------|
| NonCluster Programs | | | |
| Direct | | 7,224,284 | - |
| 66.605 Performance Partnership Grants Total | | 7,224,284 | - |
| 66.608 Environmental Information Exchange Network Grant Program and Related Assistance | | | |
| Direct | | 2,875 | - |
| 66.608 Environmental Information Exchange Network Grant Program and Related Assistance Total | | 2,875 | - |
| 66.802 Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements | | | |
| Direct | | 538,815 | - |
| 66.802 Superfund State, Political Subdivision, and Indian Tribe Site-Specific Cooperative Agreements Total | | 538,815 | - |
| 66.804 Underground Storage Tank Prevention, Detection and Compliance Program | | | |
| Direct | | 482,260 | - |
| 66.804 Underground Storage Tank Prevention, Detection and Compliance Program Total | | 482,260 | - |
| 66.805 Leaking Underground Storage Tank Trust Fund Corrective Action Program | | | |
| Direct | | 1,050,228 | - |
| 66.805 Leaking Underground Storage Tank Trust Fund Corrective Action Program Total | | 1,050,228 | - |
| 66.809 Superfund State and Indian Tribe Core Program Cooperative Agreements | | | |
| Direct | | 133,097 | - |
| 66.809 Superfund State and Indian Tribe Core Program Cooperative Agreements Total | | 133,097 | - |
| 66.817 State and Tribal Response Program Grants | | | |
| Direct | | 757,601 | - |
| 66.817 State and Tribal Response Program Grants Total | | 757,601 | - |
| 66.818 Brownfields Assessment and Cleanup Cooperative Agreements | | | |
| Direct | | 58,698 | - |
| 66.818 Brownfields Assessment and Cleanup Cooperative Agreements Total | | 58,698 | - |
| Environmental Protection Agency Total | | 14,385,867 | 1,793,491 |
| Department of Energy | | | |
| 81.041 State Energy Program | | | |
| Direct | | 4,265,769 | 3,638,172 |
| 81.041 State Energy Program Total | | 4,265,769 | 3,638,172 |
| 81.042 Weatherization Assistance for Low-Income Persons | | | |
| Direct | | 1,739,112 | 1,472,962 |
| 81.042 Weatherization Assistance for Low-Income Persons Total | | 1,739,112 | 1,472,962 |
| 81.086 Conservation Research and Development | | | |
| Direct | | 44,971 | - |
| 81.086 Conservation Research and Development Total | | 44,971 | - |
| 81.106 Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions | | | |
| Direct | | 45,304 | - |
| Southern States Energy Board | | | |
| | SSEB-WIPP-SC-SCEMD | 51,944 | - |
| | DE-EM-0003189; SSEB-930WIPP-SC-DHEC-2015-011a | 125,861 | - |
| Southern States Energy Board Total | | 177,805 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 81.106 Transport of Transuranic Wastes to the Waste Isolation Pilot Plant: States and Tribal Concerns, Proposed Solutions Total | | 223,109 | - |
| 81.214 Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis | | | |
| Direct | | 3,177,976 | - |
| 81.214 Environmental Monitoring/Cleanup, Cultural and Resource Mgmt., Emergency Response Research, Outreach, Technical Analysis Total | | 3,177,976 | - |
| 81.502 Stripper Well Funds | | | |
| Direct | | 460,564 | 233,299 |
| 81.502 Stripper Well Funds Total | | 460,564 | 233,299 |
| Department of Energy Total | | 9,911,501 | 5,344,433 |
| Department of Education | | | |
| 84.002 Adult Education - Basic Grants to States | | | |
| Direct | | 8,732,728 | 7,650,273 |
| 84.002 Adult Education - Basic Grants to States Total | | 8,732,728 | 7,650,273 |
| 84.010 Title I Grants to Local Educational Agencies | | | |
| Direct | | 226,247,622 | 223,198,559 |
| 84.010 Title I Grants to Local Educational Agencies Total | | 226,247,622 | 223,198,559 |
| 84.011 Migrant Education State Grant Program | | | |
| Direct | | 578,051 | 450,382 |
| 84.011 Migrant Education State Grant Program Total | | 578,051 | 450,382 |
| 84.013 Title I State Agency Program for Neglected and Delinquent Children and Youth | | | |
| Direct | | 1,712,634 | 1,712,634 |
| 84.013 Title I State Agency Program for Neglected and Delinquent Children and Youth Total | | 1,712,634 | 1,712,634 |
| 84.048 Career and Technical Education -- Basic Grants to States | | | |
| Direct | | 17,929,822 | 15,783,183 |
| 84.048 Career and Technical Education -- Basic Grants to States Total | | 17,929,822 | 15,783,183 |
| 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States | | | |
| Direct | | 69,742,828 | - |
| 84.126 Rehabilitation Services Vocational Rehabilitation Grants to States Total | | 69,742,828 | - |
| 84.144 Migrant Education Coordination Program | | | |
| Direct | | 118,854 | - |
| 84.144 Migrant Education Coordination Program Total | | 118,854 | - |
| 84.161 Rehabilitation Services Client Assistance Program | | | |
| Direct | | 251 | - |
| 84.161 Rehabilitation Services Client Assistance Program Total | | 251 | - |
| 84.177 Rehabilitation Services Independent Living Services for Older Individuals Who are Blind | | | |
| Direct | | 548,382 | - |
| 84.177 Rehabilitation Services Independent Living Services for Older Individuals Who are Blind Total | | 548,382 | - |
| 84.181 Special Education-Grants for Infants and Families | | | |
| Direct | | 5,133,205 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 84.181 Special Education-Grants for Infants and Families Total | | 5,133,205 | - |
| 84.184 School Safety National Activities (formerly, Safe and Drug-Free Schools and Communities-National Programs) | | | |
| Direct | | 52,387 | - |
| 84.184 School Safety National Activities (formerly, Safe and Drug-Free Schools and Communities-National Programs) Total | | 52,387 | - |
| 84.187 Supported Employment Services for Individuals with the Most Significant Disabilities | | | |
| Direct | | 332,051 | - |
| 84.187 Supported Employment Services for Individuals with the Most Significant Disabilities Total | | 332,051 | - |
| 84.196 Education for Homeless Children and Youth | | | |
| Direct | | 1,130,353 | 1,029,443 |
| 84.196 Education for Homeless Children and Youth Total | | 1,130,353 | 1,029,443 |
| 84.282 Charter Schools | | | |
| Direct | | 2,593,186 | 2,464,810 |
| 84.282 Charter Schools Total | | 2,593,186 | 2,464,810 |
| 84.287 Twenty-First Century Community Learning Centers | | | |
| Direct | | 19,041,200 | 18,234,960 |
| 84.287 Twenty-First Century Community Learning Centers Total | | 19,041,200 | 18,234,960 |
| 84.305 Education Research, Development and Dissemination | | | |
| Direct | | 100,409 | - |
| 84.305 Education Research, Development and Dissemination Total | | 100,409 | - |
| 84.326 Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities | | | |
| Direct | | 181,689 | - |
| 84.326 Special Education Technical Assistance and Dissemination to Improve Services and Results for Children with Disabilities Total | | 181,689 | - |
| 84.334 Gaining Early Awareness and Readiness for Undergraduate Programs | | | |
| Direct | | 944,342 | 640,697 |
| 84.334 Gaining Early Awareness and Readiness for Undergraduate Programs Total | | 944,342 | 640,697 |
| 84.358 Rural Education | | | |
| Direct | | 2,073,157 | 2,048,442 |
| 84.358 Rural Education Total | | 2,073,157 | 2,048,442 |
| 84.365 English Language Acquisition State Grants | | | |
| Direct | | 3,285,600 | 3,223,603 |
| 84.365 English Language Acquisition State Grants Total | | 3,285,600 | 3,223,603 |
| 84.366 Mathematics and Science Partnerships | | | |
| Direct | | 1,310,312 | 1,306,243 |
| 84.366 Mathematics and Science Partnerships Total | | 1,310,312 | 1,306,243 |
| 84.367 Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants) | | | |
| Direct | | 27,419,812 | 26,664,576 |
| 84.367 Supporting Effective Instruction State Grants (formerly Improving Teacher Quality State Grants) Total | | 27,419,812 | 26,664,576 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|--------------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 84.369 Grants for State Assessments and Related Activities | | | |
| Direct | | 5,986,166 | - |
| 84.369 Grants for State Assessments and Related Activities Total | | 5,986,166 | - |
| 84.374 Teacher and School Leader Incentive Grants (formerly the Teacher Incentive Fund) | | | |
| Direct | | 2,559,581 | 2,559,581 |
| 84.374 Teacher and School Leader Incentive Grants (formerly the Teacher Incentive Fund) Total | | 2,559,581 | 2,559,581 |
| 84.377 School Improvement Grants | | | |
| Direct | | 5,606,790 | 5,546,952 |
| 84.377 School Improvement Grants Total | | 5,606,790 | 5,546,952 |
| 84.424 Student Support and Academic Enrichment Program | | | |
| Direct | | 16,038 | 16,038 |
| 84.424 Student Support and Academic Enrichment Program Total | | 16,038 | 16,038 |
| 84.999 American Printing House Grants | | | |
| American Printing House | | | |
| | None | 102,723 | - |
| American Printing House Total | | 102,723 | - |
| 84.999 American Printing House Grants Total | | 102,723 | - |
| Department of Education Total | | 403,480,173 | 312,530,376 |
| Department of Health and Human Services | | | |
| 93.008 Medical Reserve Corps Small Grant Program | | | |
| National Association of County and City Health Officials | | | |
| | 6 MRCSG061001-03; MRC 10 1125 | 529 | - |
| | 6 HITEP150032-02-09; PD-8-1108 | 3,826 | - |
| National Association of County and City Health Officials Total | | 4,355 | - |
| 93.008 Medical Reserve Corps Small Grant Program Total | | 4,355 | - |
| 93.041 Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation | | | |
| Direct | | 54,271 | 54,271 |
| 93.041 Special Programs for the Aging, Title VII, Chapter 3, Programs for Prevention of Elder Abuse, Neglect, and Exploitation Total | | 54,271 | 54,271 |
| 93.042 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals | | | |
| Direct | | 253,230 | 253,230 |
| 93.042 Special Programs for the Aging, Title VII, Chapter 2, Long Term Care Ombudsman Services for Older Individuals Total | | 253,230 | 253,230 |
| 93.043 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services | | | |
| Direct | | 216,575 | 211,795 |
| 93.043 Special Programs for the Aging, Title III, Part D, Disease Prevention and Health Promotion Services Total | | 216,575 | 211,795 |
| 93.048 Special Programs for the Aging, Title IV, and Title II, Discretionary Projects | | | |
| Direct | | 274,339 | 183,096 |
| 93.048 Special Programs for the Aging, Title IV, and Title II, Discretionary Projects Total | | 274,339 | 183,096 |
| 93.052 National Family Caregiver Support, Title III, Part E | | | |
| Direct | | 2,331,908 | 2,205,698 |
| 93.052 National Family Caregiver Support, Title III, Part E Total | | 2,331,908 | 2,205,698 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 93.069 Public Health Emergency Preparedness | | | |
| Direct | | 19,250 | - |
| 93.069 Public Health Emergency Preparedness Total | | 19,250 | - |
| 93.070 Environmental Public Health and Emergency Response | | | |
| Direct | | 166,885 | - |
| 93.070 Environmental Public Health and Emergency Response Total | | 166,885 | - |
| 93.071 Medicare Enrollment Assistance Program | | | |
| Direct | | 464,170 | 464,170 |
| 93.071 Medicare Enrollment Assistance Program Total | | 464,170 | 464,170 |
| 93.072 Lifespan Respite Care Program | | | |
| Direct | | 175,343 | 149,490 |
| 93.072 Lifespan Respite Care Program Total | | 175,343 | 149,490 |
| 93.074 Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements | | | |
| Direct | | 14,339,781 | 2,025,352 |
| 93.074 Hospital Preparedness Program (HPP) and Public Health Emergency Preparedness (PHEP) Aligned Cooperative Agreements Total | | 14,339,781 | 2,025,352 |
| 93.079 Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance | | | |
| Direct | | 63,104 | - |
| 93.079 Cooperative Agreements to Promote Adolescent Health through School-Based HIV/STD Prevention and School-Based Surveillance Total | | 63,104 | - |
| 93.092 Affordable Care Act (ACA) Personal Responsibility Education Program | | | |
| Direct | | 620,379 | 392,673 |
| 93.092 Affordable Care Act (ACA) Personal Responsibility Education Program Total | | 620,379 | 392,673 |
| 93.093 Affordable Care Act (ACA) Health Profession Opportunity Grants | | | |
| Direct | | 2,668,254 | - |
| 93.093 Affordable Care Act (ACA) Health Profession Opportunity Grants Total | | 2,668,254 | - |
| 93.094 Well-Integrated Screening and Evaluation for Women Across the Nation | | | |
| Direct | | 1,055,440 | 629,215 |
| 93.094 Well-Integrated Screening and Evaluation for Women Across the Nation Total | | 1,055,440 | 629,215 |
| 93.103 Food and Drug Administration Research | | | |
| Direct | | 690,524 | - |
| Association of Food and Drug Officials | | | |
| | G-ME-1710-01044 | 2,997 | - |
| | G-ST-1710-01043 | 10,555 | - |
| | G-MT-1701-00579 | 5,016 | - |
| | G-MT-1710-01028 | 5,570 | - |
| | G-SE-1710-01027 | 4,915 | - |
| Association of Food and Drug Officials Total | | 29,053 | - |
| 93.103 Food and Drug Administration Research Total | | 719,577 | - |
| 93.104 Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) | | | |
| Direct | | 1,261,958 | - |
| 93.104 Comprehensive Community Mental Health Services for Children with Serious Emotional Disturbances (SED) Total | | 1,261,958 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 93.110 Maternal and Child Health Federal Consolidated Programs | | | |
| Direct | | 362,153 | - |
| 93.110 Maternal and Child Health Federal Consolidated Programs Total | | 362,153 | - |
| 93.116 Project Grants and Cooperative Agreements for Tuberculosis Control Programs | | | |
| Direct | | 846,327 | - |
| 93.116 Project Grants and Cooperative Agreements for Tuberculosis Control Programs Total | | 846,327 | - |
| 93.127 Emergency Medical Services for Children | | | |
| Direct | | 119,388 | - |
| 93.127 Emergency Medical Services for Children Total | | 119,388 | - |
| 93.130 Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices | | | |
| Direct | | 187,616 | - |
| 93.130 Cooperative Agreements to States/Territories for the Coordination and Development of Primary Care Offices Total | | 187,616 | - |
| 93.136 Injury Prevention and Control Research and State and Community Based Programs | | | |
| Direct | | 2,002,094 | 1,116,643 |
| 93.136 Injury Prevention and Control Research and State and Community Based Programs Total | | 2,002,094 | 1,116,643 |
| 93.150 Projects for Assistance in Transition from Homelessness (PATH) | | | |
| Direct | | 706,549 | - |
| 93.150 Projects for Assistance in Transition from Homelessness (PATH) Total | | 706,549 | - |
| 93.197 Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children | | | |
| Direct | | 185,432 | - |
| 93.197 Childhood Lead Poisoning Prevention Projects, State and Local Childhood Lead Poisoning Prevention and Surveillance of Blood Lead Levels in Children Total | | 185,432 | - |
| 93.217 Family Planning Services | | | |
| Direct | | 5,739,900 | - |
| 93.217 Family Planning Services Total | | 5,739,900 | - |
| 93.235 Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program | | | |
| Direct | | 1,535,572 | 1,296,892 |
| 93.235 Title V State Sexual Risk Avoidance Education (Title V State SRAE) Program Total | | 1,535,572 | 1,296,892 |
| 93.243 Substance Abuse and Mental Health Services Projects of Regional and National Significance | | | |
| Direct | | 8,188,484 | 3,379,465 |
| 93.243 Substance Abuse and Mental Health Services Projects of Regional and National Significance Total | | 8,188,484 | 3,379,465 |
| 93.251 Universal Newborn Hearing Screening | | | |
| Direct | | 154,164 | - |
| 93.251 Universal Newborn Hearing Screening Total | | 154,164 | - |
| 93.268 Immunization Cooperative Agreements | | | |
| Direct | | 64,116,082 | - |
| 93.268 Immunization Cooperative Agreements Total | | 64,116,082 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|---|----------------------|---------------------------|
| NonCluster Programs | | | |
| 93.270 Viral Hepatitis Prevention and Control | | | |
| Direct | | 94,135 | - |
| 93.270 Viral Hepatitis Prevention and Control Total | | 94,135 | - |
| 93.283 Centers for Disease Control and Prevention Investigations and Technical Assistance | | | |
| Direct | | 247,007 | 16,402 |
| 93.283 Centers for Disease Control and Prevention Investigations and Technical Assistance Total | | 247,007 | 16,402 |
| 93.297 Teenage Pregnancy Prevention Program | | | |
| South Carolina Campaign To Prevent Teen Pregnancy | | | |
| | 1 TP1AH000126-01-00: ML-6-528 | 14,234 | - |
| | 1 TP1AH000126-01-00: UP-6-529 | 30,243 | - |
| | 1 TP1AH000126-01-00; LC-6-527 | 30,931 | - |
| South Carolina Campaign To Prevent Teen Pregnancy Total | | 75,408 | - |
| 93.297 Teenage Pregnancy Prevention Program Total | | 75,408 | - |
| 93.305 PPHF 2018: Office of Smoking and Health-National State-Based Tobacco Control Programs-Financed in part by 2018 Prevention and Public Health funds (PPHF) | | | |
| Direct | | 1,057,963 | 281,632 |
| 93.305 PPHF 2018: Office of Smoking and Health-National State-Based Tobacco Control Programs-Financed in part by 2018 Prevention and Public Health funds (PPHF) Total | | 1,057,963 | 281,632 |
| 93.314 Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program | | | |
| Direct | | 68,216 | - |
| 93.314 Early Hearing Detection and Intervention Information System (EHDI-IS) Surveillance Program Total | | 68,216 | - |
| 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | | | |
| Direct | | 2,500,635 | 632,800 |
| 93.323 Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Total | | 2,500,635 | 632,800 |
| 93.324 State Health Insurance Assistance Program | | | |
| Direct | | 649,745 | 480,898 |
| 93.324 State Health Insurance Assistance Program Total | | 649,745 | 480,898 |
| 93.336 Behavioral Risk Factor Surveillance System | | | |
| Direct | | 126,506 | - |
| 93.336 Behavioral Risk Factor Surveillance System Total | | 126,506 | - |
| 93.369 ACL Independent Living State Grants | | | |
| Direct | | 249,496 | - |
| 93.369 ACL Independent Living State Grants Total | | 249,496 | - |
| 93.424 NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations | | | |
| Association of State and Territorial Health Officials | | | |
| | 6 NU38OT000161-04-02;Requisition #1282;83-10154 | 22,199 | 22,199 |
| Association of State and Territorial Health Officials Total | | 22,199 | 22,199 |
| 93.424 NON-ACA/PPHF—Building Capacity of the Public Health System to Improve Population Health through National Nonprofit Organizations Total | | 22,199 | 22,199 |
| 93.521 The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF | | | |
| Direct | | 572,489 | 104,721 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 93.521 The Affordable Care Act: Building Epidemiology, Laboratory, and Health Information Systems Capacity in the Epidemiology and Laboratory Capacity for Infectious Disease (ELC) and Emerging Infections Program (EIP) Cooperative Agreements; PPHF Total | | 572,489 | 104,721 |
| 93.539 PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds | | | |
| Direct | | 2,970,242 | 8,143 |
| 93.539 PPHF Capacity Building Assistance to Strengthen Public Health Immunization Infrastructure and Performance financed in part by Prevention and Public Health Funds Total | | 2,970,242 | 8,143 |
| 93.556 Promoting Safe and Stable Families | | | |
| Direct | | 4,226,098 | - |
| 93.556 Promoting Safe and Stable Families Total | | 4,226,098 | - |
| 93.563 Child Support Enforcement | | | |
| Direct | | 56,653,344 | 19,992,988 |
| 93.563 Child Support Enforcement Total | | 56,653,344 | 19,992,988 |
| 93.566 Refugee and Entrant Assistance State/Replacement Designee Administered Programs | | | |
| Direct | | 507,287 | - |
| 93.566 Refugee and Entrant Assistance State/Replacement Designee Administered Programs Total | | 507,287 | - |
| 93.568 Low-Income Home Energy Assistance | | | |
| Direct | | 41,319,479 | 40,232,682 |
| 93.568 Low-Income Home Energy Assistance Total | | 41,319,479 | 40,232,682 |
| 93.569 Community Services Block Grant | | | |
| Direct | | 11,185,436 | 10,796,160 |
| 93.569 Community Services Block Grant Total | | 11,185,436 | 10,796,160 |
| 93.586 State Court Improvement Program | | | |
| Direct | | 255,967 | - |
| 93.586 State Court Improvement Program Total | | 255,967 | - |
| 93.597 Grants to States for Access and Visitation Programs | | | |
| Direct | | 106,735 | - |
| 93.597 Grants to States for Access and Visitation Programs Total | | 106,735 | - |
| 93.599 Chafee Education and Training Vouchers Program (ETV) | | | |
| Direct | | 177,019 | - |
| 93.599 Chafee Education and Training Vouchers Program (ETV) Total | | 177,019 | - |
| 93.600 Head Start | | | |
| Direct | | 7,246,572 | 176,409 |
| 93.600 Head Start Total | | 7,246,572 | 176,409 |
| 93.628 Affordable Care Act Implementation Support for State Demonstrations to Integrate Care for Medicare-Medicaid Enrollees | | | |
| Direct | | 37,835 | - |
| 93.628 Affordable Care Act Implementation Support for State Demonstrations to Integrate Care for Medicare-Medicaid Enrollees Total | | 37,835 | - |
| 93.630 Developmental Disabilities Basic Support and Advocacy Grants | | | |
| Direct | | 1,091,568 | 759,279 |
| 93.630 Developmental Disabilities Basic Support and Advocacy Grants Total | | 1,091,568 | 759,279 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 93.634 ACA Support for Ombudsman and Beneficiary Counseling Programs for States Participating in the Medicare-Medicaid Financial Alignment Initiative | | | |
| Direct | | 223,214 | 3,438 |
| 93.634 ACA Support for Ombudsman and Beneficiary Counseling Programs for States Participating in the Medicare-Medicaid Financial Alignment Initiative Total | | 223,214 | 3,438 |
| 93.645 Stephanie Tubbs Jones Child Welfare Services Program | | | |
| Direct | | 9,518,825 | - |
| 93.645 Stephanie Tubbs Jones Child Welfare Services Program Total | | 9,518,825 | - |
| 93.658 Foster Care Title IV-E | | | |
| Direct | | 41,890,180 | - |
| 93.658 Foster Care Title IV-E Total | | 41,890,180 | - |
| 93.659 Adoption Assistance | | | |
| Direct | | 20,833,595 | - |
| 93.659 Adoption Assistance Total | | 20,833,595 | - |
| 93.667 Social Services Block Grant | | | |
| Direct | | 20,468,497 | - |
| 93.667 Social Services Block Grant Total | | 20,468,497 | - |
| 93.669 Child Abuse and Neglect State Grants | | | |
| Direct | | 91,951 | - |
| 93.669 Child Abuse and Neglect State Grants Total | | 91,951 | - |
| 93.671 Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services | | | |
| Direct | | 1,876,291 | 1,434,332 |
| 93.671 Family Violence Prevention and Services/Domestic Violence Shelter and Supportive Services Total | | 1,876,291 | 1,434,332 |
| 93.674 John H. Chafee Foster Care Program for Successful Transition to Adulthood | | | |
| Direct | | 1,070,432 | - |
| 93.674 John H. Chafee Foster Care Program for Successful Transition to Adulthood Total | | 1,070,432 | - |
| 93.745 PPHF: Health Care Surveillance/Health Statistics – Surveillance Program Announcement: Behavioral Risk Factor Surveillance System Financed in Part by Prevention and Public Health Fund | | | |
| Direct | | 68,019 | - |
| 93.745 PPHF: Health Care Surveillance/Health Statistics – Surveillance Program Announcement: Behavioral Risk Factor Surveillance System Financed in Part by Prevention and Public Health Fund Total | | 68,019 | - |
| 93.752 Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds | | | |
| Direct | | 119,413 | 88,162 |
| 93.752 Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations financed in part by Prevention and Public Health Funds Total | | 119,413 | 88,162 |
| 93.757 State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF) | | | |
| Direct | | 3,744,162 | 1,422,959 |
| 93.757 State and Local Public Health Actions to Prevent Obesity, Diabetes, Heart Disease and Stroke (PPHF) Total | | 3,744,162 | 1,422,959 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 93.758 Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF) | | | |
| Direct | | 2,093,628 | 410,902 |
| 93.758 Preventive Health and Health Services Block Grant funded solely with Prevention and Public Health Funds (PPHF) Total | | 2,093,628 | 410,902 |
| 93.767 Children's Health Insurance Program | | | |
| Direct | | 176,616,115 | - |
| 93.767 Children's Health Insurance Program Total | | 176,616,115 | - |
| 93.788 Opioid STR | | | |
| Direct | | 4,435,349 | 2,436,082 |
| 93.788 Opioid STR Total | | 4,435,349 | 2,436,082 |
| 93.791 Money Follows the Person Rebalancing Demonstration | | | |
| Direct | | 641,561 | - |
| 93.791 Money Follows the Person Rebalancing Demonstration Total | | 641,561 | - |
| 93.815 Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) | | | |
| Direct | | 545,391 | - |
| 93.815 Domestic Ebola Supplement to the Epidemiology and Laboratory Capacity for Infectious Diseases (ELC) Total | | 545,391 | - |
| 93.817 Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities | | | |
| Direct | | 111,572 | 111,572 |
| 93.817 Hospital Preparedness Program (HPP) Ebola Preparedness and Response Activities Total | | 111,572 | 111,572 |
| 93.898 Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations | | | |
| Direct | | 4,772,251 | 2,486,607 |
| 93.898 Cancer Prevention and Control Programs for State, Territorial and Tribal Organizations Total | | 4,772,251 | 2,486,607 |
| 93.917 HIV Care Formula Grants | | | |
| Direct | | 21,718,156 | 1,433,746 |
| 93.917 HIV Care Formula Grants Total | | 21,718,156 | 1,433,746 |
| 93.940 HIV Prevention Activities Health Department Based | | | |
| Direct | | 5,984,694 | 1,131,370 |
| 93.940 HIV Prevention Activities Health Department Based Total | | 5,984,694 | 1,131,370 |
| 93.944 Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance | | | |
| Direct | | 690,274 | - |
| 93.944 Human Immunodeficiency Virus (HIV)/Acquired Immunodeficiency Virus Syndrome (AIDS) Surveillance Total | | 690,274 | - |
| 93.945 Assistance Programs for Chronic Disease Prevention and Control | | | |
| Direct | | 1,253,539 | 181,876 |
| 93.945 Assistance Programs for Chronic Disease Prevention and Control Total | | 1,253,539 | 181,876 |
| 93.958 Block Grants for Community Mental Health Services | | | |
| Direct | | 7,818,693 | - |
| 93.958 Block Grants for Community Mental Health Services Total | | 7,818,693 | - |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|---|----------------------------------|-----------------------------|----------------------------------|
| NonCluster Programs | | | |
| 93.959 Block Grants for Prevention and Treatment of Substance Abuse | | | |
| Direct | | 23,537,157 | 21,511,517 |
| 93.959 Block Grants for Prevention and Treatment of Substance Abuse Total | | 23,537,157 | 21,511,517 |
| 93.977 Sexually Transmitted Diseases (STD) Prevention and Control Grants | | | |
| Direct | | 1,576,600 | 39,189 |
| 93.977 Sexually Transmitted Diseases (STD) Prevention and Control Grants Total | | 1,576,600 | 39,189 |
| 93.982 Mental Health Disaster Assistance and Emergency Mental Health | | | |
| Direct | | 1,551,018 | - |
| 93.982 Mental Health Disaster Assistance and Emergency Mental Health Total | | 1,551,018 | - |
| 93.994 Maternal and Child Health Services Block Grant to the States | | | |
| Direct | | 11,090,556 | 354,240 |
| 93.994 Maternal and Child Health Services Block Grant to the States Total | | 11,090,556 | 354,240 |
| 93.999 State Tobacco Compliance Check Inspection Program | | | |
| Direct | | 1,384,594 | 152,609 |
| 93.999 State Tobacco Compliance Check Inspection Program Total | | 1,384,594 | 152,609 |
| Department of Health and Human Services Total | | 605,999,688 | 119,064,904 |
| Executive Office of the President | | | |
| 95.001 High Intensity Drug Trafficking Areas Program | | | |
| Direct | | 286,333 | - |
| 95.001 High Intensity Drug Trafficking Areas Program Total | | 286,333 | - |
| Executive Office of the President Total | | 286,333 | - |
| Department of Homeland Security | | | |
| 97.012 Boating Safety Financial Assistance | | | |
| Direct | | 2,606,644 | - |
| 97.012 Boating Safety Financial Assistance Total | | 2,606,644 | - |
| 97.023 Community Assistance Program State Support Services Element (CAP-SSSE) | | | |
| Direct | | 164,725 | - |
| 97.023 Community Assistance Program State Support Services Element (CAP-SSSE) Total | | 164,725 | - |
| 97.029 Flood Mitigation Assistance | | | |
| Direct | | 22,183 | 15,970 |
| 97.029 Flood Mitigation Assistance Total | | 22,183 | 15,970 |
| 97.032 Crisis Counseling | | | |
| Direct | | 58,183 | 58,183 |
| 97.032 Crisis Counseling Total | | 58,183 | 58,183 |
| 97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters) | | | |
| Direct | | 139,147,310 | 131,852,450 |
| 97.036 Disaster Grants - Public Assistance (Presidentially Declared Disasters) Total | | 139,147,310 | 131,852,450 |
| 97.039 Hazard Mitigation Grant | | | |
| Direct | | 6,736,112 | 5,683,401 |
| 97.039 Hazard Mitigation Grant Total | | 6,736,112 | 5,683,401 |

| Grantor/CFDA/CFDA Title | Pass-Through Grant Number | Federal Expenditures | Subrecipient Expenditures |
|--|---------------------------|----------------------|---------------------------|
| NonCluster Programs | | | |
| 97.041 National Dam Safety Program | | | |
| Direct | | 200,513 | - |
| 97.041 National Dam Safety Program Total | | 200,513 | - |
| 97.042 Emergency Management Performance Grants | | | |
| Direct | | 6,050,668 | 6,050,668 |
| 97.042 Emergency Management Performance Grants Total | | 6,050,668 | 6,050,668 |
| 97.043 State Fire Training Systems Grants | | | |
| Direct | | 2,731 | - |
| 97.043 State Fire Training Systems Grants Total | | 2,731 | - |
| 97.045 Cooperating Technical Partners | | | |
| Direct | | 1,098,651 | - |
| 97.045 Cooperating Technical Partners Total | | 1,098,651 | - |
| 97.046 Fire Management Assistance Grant | | | |
| Direct | | 2,735,667 | 2,735,667 |
| 97.046 Fire Management Assistance Grant Total | | 2,735,667 | 2,735,667 |
| 97.047 Pre-Disaster Mitigation | | | |
| Direct | | 370,366 | 277,127 |
| 97.047 Pre-Disaster Mitigation Total | | 370,366 | 277,127 |
| 97.056 Port Security Grant Program | | | |
| Direct | | 494,231 | - |
| 97.056 Port Security Grant Program Total | | 494,231 | - |
| 97.067 Homeland Security Grant Program | | | |
| Direct | | 3,038,136 | 1,486,590 |
| 97.067 Homeland Security Grant Program Total | | 3,038,136 | 1,486,590 |
| 97.088 Disaster Assistance Projects | | | |
| Direct | | 3,115,488 | - |
| 97.088 Disaster Assistance Projects Total | | 3,115,488 | - |
| 97.133 Preparing for Emerging Threats and Hazards | | | |
| Direct | | 5,797 | - |
| 97.133 Preparing for Emerging Threats and Hazards Total | | 5,797 | - |
| Department of Homeland Security Total | | 165,847,405 | 148,160,056 |
| Total NonCluster Programs | | 1,460,567,272 | 685,936,272 |
| TOTAL FEDERAL EXPENDITURES | | 8,376,109,824 | 1,316,842,574 |

Notes to the Schedule of Expenditures of Federal Awards

STATE OF SOUTH CAROLINA
Notes to the Schedules of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 1 - BASIS OF PRESENTATION

Entity

For purposes of complying with the Single Audit Act Amendments of 1996 and Uniform Guidance, the State of South Carolina (the State) is defined in a manner consistent with the entity defined in the basic financial statements as of and for the year ended June 30, 2018, except that certain agencies and component units included in the basic financial statements are excluded in the accompanying schedules of expenditures of federal awards because these agencies and component units engaged other auditors to perform an audit in accordance with the Single Audit Act and Uniform Guidance, as applicable. The excluded agencies and component units and their federal expenditures for the year ended June 30, 2018 are as follows:

| <u>Agency</u> | <u>Federal Expenditures</u> |
|--|-----------------------------|
| Department of Transportation | 986,500,250 |
| State Housing Finance and Development Authority | 153,478,387 |
| The Citadel | 32,060,414 |
| Clemson University | 217,873,765 |
| Coastal Carolina University | 19,305,269 |
| College of Charleston | 79,360,120 |
| Francis Marion University | 40,857,348 |
| Lander University | 24,145,961 |
| Medical University of South Carolina | 251,422,796 |
| University of South Carolina | 510,663,404 |
| Winthrop University | 54,232,307 |
| Aiken Technical College | 9,068,037 |
| Central Carolina Technical College | 16,733,227 |
| Denmark Technical College | 6,251,491 |
| Florence-Darlington Technical College | 22,391,270 |
| Greenville Technical College | 45,239,768 |
| Horry-Georgetown Technical College | 35,248,807 |
| Midlands Technical College | 40,377,470 |
| Northeastern Technical College | 3,713,472 |
| Orangeburg-Calhoun Technical College | 9,287,687 |
| Piedmont Technical College | 26,078,516 |
| Spartanburg Community College | 12,636,196 |
| Technical College of the Lowcountry | 7,400,861 |
| Tri-County Technical College | 17,022,276 |
| Trident Technical College | 46,958,690 |
| Williamsburg Technical College | 2,284,290 |
| York Technical College | 13,876,434 |
| Total Federal Expenditures for Excluded Agencies | <u>\$2,684,468,513</u> |

Note: South Carolina State University and the Department of Employment and Workforce receive their own Single Audits for which no audited expenditure amounts for June 30, 2018 were readily available as of our report issuance date.

STATE OF SOUTH CAROLINA
Notes to the Schedules of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 1 - BASIS OF PRESENTATION (CONTINUED)

Entity (Continued)

Accordingly, the accompanying schedules of expenditures of federal awards present the federal financial assistance programs administered by the State, as defined on the previous page, for the year ended June 30, 2018.

Non-Cash Federal Programs

The State is the recipient of federal financial assistance programs that do not result in cash receipts or disbursements, termed "non-cash programs". The distributions under these programs are included in the accompanying schedules of expenditures of federal awards.

As of June 30, 2018 there were non-cash expenditures that occurred within the State. The non-cash expenditures are listed below.

| Program Title | CFDA | Non-Cash Expenditure |
|--|-------------|-----------------------------|
| National School Lunch Program | 10.555 | \$27,811,536 |
| American Printing House for the Blind | 84.999 | \$102,723 |
| Immunization and Vaccines for Children Program | 93.268 | \$62,346,672 |

Loan Programs

Loan and loan guarantees states that since the Federal Government is at risk for loans until the debt is repaid it must be used to calculate the value of Federal award expended under loan programs. There were no outstanding federal loan balances and loan guarantees at the end of the year to include in the footnotes of the Schedule.

Other Federal Assistance

The "Other Federal Assistance" presented in the accompanying schedules of expenditures of federal awards consists of federal financial assistance programs that have not been assigned CFDA numbers.

Assistance Listings

Uniform Guidance requires the Schedule to show the total expenditures for each of the State's federal financial assistance programs as identified in the Catalog of Federal Domestic Assistance (CFDA). The catalog was previously held at CFDA.gov; it has more recently moved to beta.sam.gov, where they are called Assistance Listings. The Listing is a government-wide catalog of individual federal programs. Each program included in the Listing is assigned a five-digit program identification number (CFDA number) which is reflected in Schedule 1. Federal financial assistance programs and contracts which have not been assigned a CFDA number or, where management has been unable to determine the CFDA number, are identified with the federal agency two-digit prefix and a State-assigned suffix in Schedule 1 (State agencies traditionally use 999 as the suffix). This Schedule 1 listing was pulled on February 7, 2019.

NOTE 2 - BASIS OF ACCOUNTING

The expenditures presented in the accompanying schedules of expenditures of federal awards were developed from the South Carolina Enterprise Information System (SCEIS). SCEIS is the State's accounting system which serves as the primary source of information in the preparation of the State's financial statements. Generally accepted accounting principles for governments require the use of the accrual and modified accrual basis of accounting.

STATE OF SOUTH CAROLINA
Notes to the Schedules of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 2 - BASIS OF ACCOUNTING (CONTINUED)

The expenditures reported in Schedule 1 and the related note disclosures are reported in accordance with 2 CFR 200.502.

Federal revenues and expenditures are included primarily in the governmental funds in the State's financial statements.

NOTE 3 - MATCHING COST

Matching costs, i.e. the non-federal share of certain program costs, are included in the accompanying schedules of expenditures of federal awards when the federal and state portions of costs are combined and the state portion cannot be separately identified.

NOTE 4 - PETROLEUM OVERCHARGE RECOVERIES

In the current and prior years the State received monies relating to recoveries from petroleum companies which had overcharged customers when price controls were in effect. These monies are expended under specific federal programs in accordance with the federal laws and regulations pertaining to such programs. Accordingly, these amounts are included in the accompanying schedules of expenditures of federal awards under the specific federal program to which they relate.

NOTE 5 - RELATIONSHIP TO FEDERAL FINANCIAL REPORTS

The regulations and guidelines governing the preparation of federal financial reports vary by federal agency and among programs administered by the same agency. Accordingly, the amounts reported in the federal financial reports do not necessarily agree with the amounts reported in the accompanying schedules of expenditures of federal awards which are prepared on the basis explained in Notes 1 and 2. The federal financial reports have been reconciled to amounts included in the schedules of expenditures for all major programs.

NOTE 6 - WIC REBATES

During the fiscal year ended June 30, 2018 the South Carolina Department of Health and Environmental Control received cash rebates from infant formula manufacturers in the amount of \$26,651,599 on sales of formula to participants in the WIC program (CFDA 10.557). Rebate contracts with infant formula manufacturers are authorized by 7 CFR 246.16a as a cost containment measure. Rebates represent a reduction of expenditures previously incurred for WIC food benefit costs. Applying the rebates received to such costs enabled the South Carolina Department of Health and Environmental Control to serve 393,723 people.

NOTE 7 – DE MINIMIS INDIRECT COST RATE

There were no major program agencies in the State of South Carolina that elected to use the de minimis indirect cost rate per 2 CFR 200.414 of the Uniform Guidance for the fiscal year ended June 30, 2018.

STATE OF SOUTH CAROLINA
Notes to the Schedules of Expenditures of Federal Awards
For the Year Ended June 30, 2018

NOTE 8 – PASSTHROUGH OF EXPENDITURES WITHIN REPORTING ENTITIES

Federal Transactions Between State Entities – Some state entities transfer (expend) federal assistance to other state entities (i.e. a pass-through of funds by the primary recipient state entity to a subrecipient state entity). In this case, the federal expenditures are only reported once on the Schedule of Expenditures of Federal Awards. This method avoids duplication and the overstatement of the aggregate level of federal financial assistance expended by the State.

Schedule of Findings and Questioned Costs

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SECTION I – SUMMARY OF AUDITORS’ RESULTS

Financial Statements

Type of auditors’ report issued:

Unmodified

Internal control over financial reporting:

Material weaknesses identified?

☐yes ☒no

Significant deficiencies identified that
are not considered to be material
weaknesses?

☐yes ☒none reported

Noncompliance material to financial
statements noted?

☐yes ☒no

Federal Awards

Internal control over major programs:

Material weaknesses identified?

☒yes ☐no

Significant deficiencies identified that
are not considered to be material
weaknesses?

☒yes ☐none reported

Type of auditors’ report issued on compliance
for major programs:

Unmodified for all major
programs except for the following
programs which were ***qualified***:

84.126, 93.767, 97.036
Medicaid Cluster, and
Research and
Development Cluster

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SECTION I – SUMMARY OF AUDITOR’S RESULTS (CONTINUED)

Any audit findings disclosed that are required
to be reported in accordance with 2 CFR 200.516(a) Xyes no
of the Uniform Guidance?

Identification of major programs:

| <u>CFDA Numbers</u> | <u>Name of Federal Program or Cluster</u> |
|-------------------------|---|
| 10.557 | WIC Supplemental Nutrition Program for Women, Infants, and Children |
| 10.558 | Child and Adult Care Food Program |
| 16.575 | Crime Victim Assistance |
| 84.048 | Career and Technical Education – Basic Grants to States |
| 84.126 | Rehabilitation Services Vocational Rehabilitation Grants to States |
| 84.287 | Twenty-First Century Community Learning Centers |
| 93.563 | Child Support Enforcement |
| 93.568 | Low-Income Home Energy Assistance |
| 93.767 | Children’s Health Insurance Program |
| 97.036 | Disaster Grants – Public Assistance (Presidentially Declared Disasters) |
| Various ¹ | Medicaid Cluster |
| Various ¹ | Child Nutrition Cluster |
| Various ¹ | Clean Water State Revolving Fund Cluster |
| Various ¹ | Drinking Water State Revolving Fund Cluster |
| Various ¹ | Research and Development Cluster |
| Various ¹ | CDBG – Entitlement Grants Cluster |

¹ – See Schedule of Expenditures of Federal Awards for CFDA Numbers

Dollar threshold used to distinguish between
Type A and Type B programs: \$ 25,128,329

Auditee qualified as low-risk auditee? yes Xno

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)

2018 – 001. Allowable Costs/Cost Principles – Federal Share of Recoveries / Collections

Federal Agency: Department of Health and Human Services

Federal Program Title: Medicaid Cluster

CFDA No.: 93.775, 93.777, 93.778

Federal Grant ID Number: 05-1705SC5MAP; 05-1805SC5MAP

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 42 CFR 433.12 (c), the State is required to credit the Medicaid program for "...overpayments made to Medicaid providers..." In addition, Title 45 Section 2500.6 B of the Centers for Medicare & Medicaid Services' (CMS) State Medicaid Manual states to "...determine the date or period of the expenditure for which the refund is made to establish the [Federal Matching Assistance Percentage] at which the original expenditure was matched by the Federal government. Make refunds of the federal share at the FMAP for which you were reimbursed."

Condition: The Department did not remit the federal share of recoveries and collections to the Medicaid program in accordance with Federal regulations and the State Medicaid Manual.

Questioned Costs: None

Context: We tested sixty receivables to ensure the Department properly credited the Medicaid program for the federal share of identified overpayments. For one receivable tested, the Department used the incorrect FMAP rate to calculate the federal share which resulted in an underpayment of \$110 to the federal grantor. For another receivable tested, we determined the Department remitted a refund of \$4,588 to a Medical Assistance Payments grant that should have been remitted to another grant.

Cause: Department personnel used the incorrect period of overpayment and grant number when calculating and remitting the refunds due to human error. Department personnel further stated that quarterly reviews of randomly selected receivables are performed.

Effect: The Department's control procedures did not detect the errors identified in our testing which could lead to further improper remittances.

Recommendation: We recommend the Department strengthen its control procedures to ensure the federal share of recoveries and collections are remitted in accordance with applicable federal and state requirements.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)
(CONTINUED)

2018 – 001. Allowable Costs/Cost Principles – Federal Share of Recoveries / Collections
(Continued)

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 149.

2018 – 002. Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Federal Agency: Department of Health and Human Services

Federal Program Title: Children's Health Insurance Program (CHIP)

CFDA No.: 93.767

Federal Grant ID Number: 05-1705SC5021

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: U.S. Code Section 1397 (ee) (a) states that CHIP allotments are to be utilized for "...expenditures...for child health assistance under the plan for targeted low-income children..." In addition, the Department's Title XXI (CHIP) State Plan attests that CHIP will operate as a Medicaid expansion program while Section 204.03 of the Department's Medicaid Policies and Procedures Manual further identifies Partners for Healthy Children (payment category 88) as the eligibility category associated with "...Medicaid Expansion through the Children's Health Insurance Program."

Condition: The Department improperly charged the benefits of one Medicaid recipient to a CHIP grant.

Questioned Costs: \$39

Context: We tested sixty disbursements to ensure costs/activities charged to the Department's CHIP grants were allowable. We determined one claim payment was unallowable and should have been charged to a Medicaid grant.

Cause: A new eligibility determination was made for this recipient during fiscal year 2018. Department personnel did not update the system of record within the Medicaid Eligibility Determination System (MEDS) in a timely manner to reflect the recipient's move from CHIP to the Medicaid program.

Effect: The Department is not in compliance with applicable allowable activities/costs requirements. In addition, a CHIP payment was made on behalf of a recipient included in the Medicaid program.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)
(CONTINUED)

2018 – 002. Activities Allowed or Unallowed and Allowable Costs/Cost Principles (Continued)

Recommendation: We recommend the Department update the system of record within MEDS in a timely manner to ensure grants are only used for allowable costs/activities.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 150.

2018 – 003. Matching, Level of Effort, Earmarking

Federal Agency: Department of Health and Human Services

Federal Program Title: Medicaid Cluster

CFDA No.: 93.775, 93.777, 93.778

Federal Grant ID Number: 05-1705SC5MAP; 05-1805SC5MAP

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 42 CFR 433.10 (c) (1) states, “Under Section 1905 (a) (5) of the Act, the Federal share of State expenditures for family planning services is 90 percent.” In addition, the Centers for Medicare & Medicaid Services (CMS) State Medicaid Director Letter 14-003 states in part, “...family planning related services are matched at the states’ regular Federal medical assistance percentage.”

Condition: The Department was not in compliance with the Federal matching requirement for family planning services or family planning related services.

Questioned Costs: None

Context: We tested sixty individual claims to ensure the Department was in compliance with matching requirements. We determined the Department did not use the proper Federal financial participation rate for four of the five contraceptive services selected for testing as well as all (one) of the STI diagnosis services selected for testing.

Cause: Department personnel stated that errors within the Medicaid Management Information System (MMIS) as well as the utilization of the improper modifier caused contraceptive services and STI diagnosis services to map to the incorrect internal fund code and Federal financial participation rate.

Effect: The Department’s control procedures did not detect the errors identified in our testing which could lead to further improper payments.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)
(CONTINUED)

2018 – 003. Matching, Level of Effort, Earmarking (Continued)

Recommendation: We recommend the Department correct the errors in MMIS to ensure compliance with the Federal matching requirement for family planning services and family planning related services.

Prior Year Single Audit Finding Number: 2017-004

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 152.

2018 – 004. Documentation of Eligibility

Federal Agency: Department of Health and Human Services

Federal Program Title: Medicaid Cluster; Children's Health Insurance Program (CHIP)

CFDA No.: 93.775, 93.777, 93.778; 93.767

Federal Grant ID Number: 05-1705SC5MAP; 05-1805SC5MAP; 05-1705SC5021; 05-1805SC5021

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2019

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 42 CFR 435.914 (a) states, "The agency must include in each applicant's case record facts to support the agency's decision on his application." In addition, Section 4.7 of the Department's Title XIX (Medicaid) State Plan (Maintenance of Records) affirms that it meets the requirements outlined in 42 CFR 431.17 (b), which states, "A State plan must provide that the Medicaid agency will maintain or supervise the maintenance of records necessary for the proper and efficient operation of the plan." Furthermore, the Department's Title XXI (CHIP) State Plan attests that CHIP will operate as a Medicaid expansion program; therefore, the aforementioned regulations apply to both programs.

Condition: Eligibility files did not contain adequate documentation to support the Medicaid and CHIP recipients' eligibility statuses.

Questioned Costs: Unknown

Context: We tested 120 individual recipients (60 each for Medicaid and CHIP) to ensure the Department was in compliance with applicable eligibility requirements. We determined the Department did not maintain adequate documentation of eligibility for five Medicaid recipients and seven CHIP recipients.

Cause: The Department transitioned to an online eligibility system, the Medicaid Eligibility Determination System (MEDS), in July 2013. According to Department personnel, documentation in some of the paper files may not have been scanned into the system since the transition.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)
(CONTINUED)

2018 – 004. Documentation of Eligibility (Continued)

Effect: The Department could not support eligibility determinations in accordance with its State plan.

Recommendation: We recommend the Department maintain documentation to support its eligibility determinations in accordance with its State plan and Federal regulations.

Prior Year Single Audit Finding Number: 2017-005

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 152.

2018 – 005. Discontinuation of Benefits

Federal Agency: Department of Health and Human Services

Federal Program Title: Medicaid Cluster; Children's Health Insurance Program (CHIP)

CFDA No.: 93.775, 93.777, 93.778; 93.767

Federal Grant ID Number: 05-1705SC5MAP; 05-1805SC5MAP; 05-1705SC5021

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Section 4.32 of the Department's Title XIX (Medicaid) State Plan (Income and Eligibility Verification System) affirms that it meets the requirements outlined in 42 CFR 435.930 (b), which states in part, "The agency must...continue to furnish Medicaid regularly to all eligible individuals until they are found to be ineligible." In addition, the Department's Title XXI (CHIP) State Plan attests that CHIP will operate as a Medicaid expansion program; therefore, the aforementioned regulation applies to both programs.

Condition: The Department did not discontinue the Medicaid and CHIP benefits of ineligible recipients.

Questioned Costs: \$5,285

Context: We tested 120 individual recipients (60 each for Medicaid and CHIP) to ensure the Department was in compliance with applicable eligibility requirements. We determined the Department did not discontinue the benefits of six Medicaid recipients and one CHIP recipient on the dates they became ineligible.

Cause: Department personnel stated the closure process for these recipients ultimately was not completed due to backlog in case processing and the continued prioritization of applications.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
For the Year Ended June 30, 2018

SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)
(CONTINUED)

2018 – 005. Discontinuation of Benefits (Continued)

Effect: The Department is not in compliance with applicable eligibility requirements. In addition, Medicaid and CHIP payments were made on behalf of ineligible recipients.

Recommendation: We recommend the Department discontinue the Medicaid and CHIP benefits of ineligible recipients in accordance with its State plan and Federal regulations.

Prior Year Single Audit Finding Number: 2017-006

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 153.

2018 – 006. Annual Eligibility Reviews

Federal Agency: Department of Health and Human Services

Federal Program Title: Medicaid Cluster; Children's Health Insurance Program (CHIP)

CFDA No.: 93.775, 93.777, 93.778; 93.767

Federal Grant ID Number: 05-1705SC5MAP; 05-1805SC5MAP; 05-1705SC5021; 05-1805SC5021

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2019

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Section 2.1 of the Department's Title XIX (Medicaid) State Plan (Application, Determination of Eligibility and Furnishing Medicaid) affirms that it meets the requirements outlined in 42 CFR Part 435.916, which states in part, "the agency must promptly determine eligibility between regular renewals of eligibility." In addition, Section 101.10 of the South Carolina Medicaid Policies and Procedures Manual states that the Department must complete an annual review for payment categories 10, 15, 32, 57, 71, and 88. The Manual also states the review requirement for payment category 54 is to: "Annually, pull SDX and file in case record to confirm continued SSI eligibility".

Furthermore, the Department's Title XXI (CHIP) State Plan attests that CHIP will operate as a Medicaid expansion program; therefore, the aforementioned regulation and policies apply to both programs.

Condition: The Department did not perform timely annual eligibility reviews for Medicaid and CHIP recipients in accordance with Section 101.10 of the South Carolina Medicaid Policies and Procedures Manual.

Questioned Costs: Unknown

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES (J02)
(CONTINUED)

2018 – 006. Annual Eligibility Reviews (Continued)

Context: We tested 120 individual recipients (60 each for Medicaid and CHIP) to ensure the Department was in compliance with applicable eligibility requirements. We determined the Department did not comply with the annual review requirement for 23 Medicaid recipients (payment categories 10, 15, 32, 54, 57, and 71) and 20 CHIP recipients (payment category 88).

Cause: Department personnel stated they did not comply with the annual review requirement for these recipients due to backlog in case processing and the continued prioritization of applications.

Effect: In the absence of an annual review, Medicaid and CHIP recipients may continue to receive benefits without meeting eligibility requirements.

Recommendation: We recommend the Department ensure that eligibility reviews are performed annually in accordance with the South Carolina Medicaid Policies and Procedures Manual.

Prior Year Single Audit Finding Number: 2017-007

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 154.

SOUTH CAROLINA DEPARTMENT OF ADMINISTRATION (D50)

2018 – 007. Reporting

Federal Agency: Department of Health and Human Services
 Federal Program Title: Low Income Home Energy Assistance Program
 CFDA No.: 93.568

Federal Grant ID Number: G-16B1SCLIEA

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2017

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 45 CFR section 96.82 establishes guidelines for the types of data required by 42 USC 8624c (1) (G) to be reported by grantees, including LIHEAP heating, cooling, crisis and weatherization assistance

Condition: Certain information reported on the Annual Household Report for FYE 9/30/17 did not agree to supporting documentation provided by the Department.

Questioned Costs: None

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SOUTH CAROLINA DEPARTMENT OF ADMINISTRATION (D50) (CONTINUED)

2018 – 007. Reporting (Continued)

Context: We tested the Annual Household Report submitted for fiscal year ended September 30, 2017 to ensure the accuracy of the report and were unable to verify certain information reported.

Cause: Department personnel stated that errors were due to human error. These errors were not detected by internal reviews prior to submission of the report.

Effect: Certain federal reporting data elements were submitted with errors.

Recommendation: We recommend the Department strengthen controls to ensure information reported to the Federal Government is accurate and supported by documentation.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 155.

SOUTH CAROLINA ATTORNEY GENERAL'S OFFICE (E20)

2018 – 008. Earmarking

Federal Agency: Department of Justice

Federal Program Title: Crime Victim Assistance

CFDA No.: 16.575

Federal Grant ID Number: 2014-VA-GX-006

Pass-Through Entity: Not applicable

Award Period: October 1, 2013 through September 30, 2017

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 28 CFR 94.107 requires that not more than 5 percent of sums received may be used for training purposes and the administration of the State crime victim assistance program.

Condition: For the grant that ended during our audit period, total costs used for training purposes and the administration of the State crime victim assistance program exceed 5 percent of the sums received.

Questioned Costs: \$5,956.

Context: The grant that closed during the audit period was tested for the administrative cost earmarking requirement and it was noted that the administrative cost charged to the grant exceeded 5 percent of total sums received by \$5,956.

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SOUTH CAROLINA ATTORNEY GENERAL'S OFFICE (E20) (CONTINUED)

2018 – 008. Earmarking (Continued)

Cause: The 5 percent administrative cost threshold was calculated by the Office based on the total award amount of the grant and internal controls were not in place and operating effectively to adjust the administrative cost threshold when the total of the sums received did not reach the total award amount.

Effect: The Office was not in compliance with the earmarking requirement for the 2014 grant which ended during the audit period.

Recommendation: We recommend that the Office review its internal controls for tracking administrative costs charged to the grant to ensure that those controls prevent administrative costs from exceeding 5 percent of sums received.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 156.

2018 – 009. Reporting

Federal Agency: Department of Justice

Federal Program Title: Crime Victim Assistance

CFDA No.: 16.575

Federal Grant ID Number: Various

Pass-Through Entity: Not applicable

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 28 CFR 94.105 requires the submission of federal reports at times as the Office for Victims of Crime may specify, or no later than 30 days after the last day of each quarter.

Condition: The Attorney General's Office did not submit some quarterly reports within the required 30-day time frame.

Questioned Costs: None

Context: Three of five quarterly reports tested were submitted after the 30-day required timeframe.

Cause: The department responsible for the State level administration of the grant was transferred between State agencies which resulted in delays in certain activities, including

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SOUTH CAROLINA ATTORNEY GENERAL'S OFFICE (E20) (CONTINUED)

2018 – 009. Reporting (Continued)

the filing of quarterly reports. Extensions, or other adequate forms of documentation to justify the delays, were not obtained.

Effect: Quarterly reports for some of the quarters in the audit period were not submitted timely in accordance with the federal regulations.

Recommendation: We recommend that Office internal controls over federal reporting include the process of obtaining extensions when extenuating circumstances prevent the submission of reports within the required timeframe.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 156.

2018 – 010. Subrecipient Monitoring

Federal Agency: Department of Justice

Federal Program Title: Crime Victim Assistance

CFDA No.: 16.575

Federal Grant ID Number: Various

Pass-Through Entity: Not applicable

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR 200.331 (d) (2) and (3) requires the pass-through entity to follow-up on all deficiencies pertaining to the Federal award provided to the subrecipient detected through audits and to issue a management decision for the subrecipient audit findings.

Condition: The Office was unable to demonstrate adequate follow-up on subrecipient audit findings.

Questioned Costs: None

Context: For three of twelve subrecipients selected for testing, the subrecipient audit reports contained repeat audit findings pertaining to the Federal award. The Office did not have adequate documentation to demonstrate follow-up or a management decision on these subrecipient audit findings.

Cause: The Office's internal controls over subrecipient monitoring did not ensure that timely follow-up and documented decisions on subrecipient audit findings were completed.

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SOUTH CAROLINA ATTORNEY GENERAL'S OFFICE (E20) (CONTINUED)

2018 – 010. Subrecipient Monitoring (Continued)

Effect: The potential of subrecipient misuse of grant funds is increased without pass-through entity follow-up on subrecipient audit findings, performed in accordance with Federal regulations.

Recommendation: We recommend that the Office review its internal controls over subrecipient monitoring to ensure the process of following-up on subrecipient audit findings documents timely follow-up and management decisions in accordance with the Federal regulations.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 157.

SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04)

2018 – 011. Reporting

Federal Agency: Department of Health and Human Services

Federal Program Title: Child Support Enforcement

CFDA No.: 93.563

Federal Grant ID Number: Various

Pass-Through Entity: Not applicable

Award Period: Various

Type of Finding: Material weakness in internal control over compliance, other matters

Criteria: Section 454 (24) (B) of the Social Security Act (the Act), as amended, by the Personal Responsibility and Work Opportunity Reconciliation Act of 1996 (PRWORA), requires states to have an operational automated data processing and information retrieval system for child and spousal support. The system must be in place by October 1, 1997, and meet all the requirements of paragraph (16) of the Act. The secretary of the U.S. Department of Health and Human Services (USDHHS) must approve the system.

Condition: The automated data processing and information retrieval system has not been implemented.

Questioned Costs: Unknown

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2018 – 011. Reporting (Continued)

Context: The Department did not implement the automated data processing and information retrieval system as required by Section 454 (24) (B). As a result, the Department received a letter from the USDHHS Division of Administration for Children and Families (ACF), dated January 27, 1998, providing formal notice that ACF intends to “disapprove South Carolina’s State IV-D Plan.” The letter states that the basis for this decision is “South Carolina’s failure to submit a State plan amendment by December 31, 1997, certifying that it is operating an automated child support enforcement system that meets all the requirements enacted on or before the date of enactment of the Family Support Act in accordance with Section 454 (24) (A) of the Act, as amended by the PRWORA.” The Department and USDHHS have reached an agreement in which the Department pays penalties to USDHHS for the noncompliance. Because the automated information and retrieval system has not yet been implemented, certain data necessary for proper completion of the OCSE 34A financial report is not available. The Department used the best available data and estimates in completing the report, but we could not attest to the accuracy of that data.

Cause: The Department has contracted with an outside vendor to implement an automated data processing and information retrieval system and is in the process of implementation.

Effect: Certain data necessary for proper completion of the OCSE 34A financial report is not available and as a result the Department is not in compliance with its Federal requirements.

Recommendation: We recommend that the Department continue its process of implementing a data processing and retrieval system that complies with Section 454 (24) (B) of the Act.

Prior Year Single Audit Report Finding Number: 2017-025.

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 158.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (Continued)

2018 – 012. Period of Performance

Federal Agency: Department of Health and Human Services

Federal Program Title: Child Support Enforcement

CFDA No.: 93.563

Federal Grant ID Number: 1704SCCSES

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2017

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 45 CFR § 75.309 a non-Federal entity must liquidate all obligations incurred under the award not later than 90 days after the end of the funding period.

Condition: Obligations were incurred and liquidated more than 90 days after the end of the funding period.

Questioned Costs: Undetermined

Context: One of forty transactions randomly selected for testing was obligated and liquidated more than 90 days after the funding period of the grant that it was charged to.

Cause: The Department's internal controls failed to prevent the charging of expenditures to the grant after the funding and liquidation period.

Effect: The Department charged expenses to the awards after the applicable period of performance.

Recommendation: We recommend that the Department strengthen its internal control process for reviewing program expenses charged to the federal awards to ensure that they are incurred during the grant period of performance.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 159.

STATE OF SOUTH CAROLINA
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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2018 – 013. Subrecipient Monitoring

Federal Agency: Department of Health and Human Services

Federal Program Title: Child Support Enforcement

CFDA No.: 93.563

Federal Grant ID Number: 1704SCCSES; 1804SCCSES

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR § 200.331(a) stipulates the specific information that pass-through entities must communicate to subrecipients on every subaward.

Condition: The Department communicates grant and program information to each subrecipient annually through a standardized contracting agreement, however not all the federally required information is included in the process.

Questioned Costs: None

Context: Our testing of subrecipients included an examination of the subawards made to the subrecipients. This examination revealed that many of the communication requirements of 2 CFR 200.331(a) are missing from the annual subaward process.

Cause: The Department's internal controls failed to ensure adequate communications to the subrecipients through the annual subaward process as required by the Federal regulations.

Effect: The information reported to subrecipients through the subaward process is not in compliance with the Federal requirements.

Recommendation: We recommend that the Department review its internal controls over issuance of subrecipient subawards to ensure that the information communicated is in compliance with the Federal guidelines.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 159.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2018 – 014. Reporting

Federal Agency: Department of Health and Human Services

Federal Program Title: Child Support Enforcement

CFDA No.: 93.563

Federal Grant ID Number: 1704SCCSES; 804SCCSES

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 2 CFR § 200.510(b), the auditee must prepare a schedule of expenditures of Federal awards for the period covered by the auditee's financial statements which must include the total Federal awards expended as determined in accordance with § 200.502 basis for determining Federal awards expended. Per this section, the schedule must include the total amount provided to subrecipients from each Federal program.

Condition: The schedule of expenditures of Federal awards initially prepared by Department management did not include the correct amount of program funds passed through to subrecipients.

Questioned Costs: None

Context: In order to agree the schedule of expenditures of Federal awards to the accounting records, an auditor adjustment in the amount of \$1,207,016 was required to correct subrecipient expenditures reported to \$19,992,946 on the schedule.

Cause: A listing of subrecipient payments, which did not match the accounting system for the audit period, was used by management to prepare the schedule.

Effect: An audit adjustment was required to correct the schedule of expenditures of Federal awards.

Recommendation: We recommend that the Department continue to implement a process to collect and report the amount of program funds passed through to subrecipients during the year on the schedule of expenditures of federal awards and to verify that the amount is supported by the accounting system.

Prior Year Single Audit Report Finding Number: 2017-032

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 159.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2018 – 015. Reporting

Federal Agency: Department of Health and Human Services, U.S. Department of Agriculture

Federal Program Title: Child Support Enforcement, Child and Adult Care Food Program

CFDA No.: 93.563, 10.558

Federal Grant ID Number: 5SC300329

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Awards requires compliance with the provisions of monitoring and reporting program performance. The Department's internal controls should be designed to ensure compliance with those provisions.

Condition: A quarterly financial status report, FNS-777, and quarterly OCSE-396 reports were submitted with errors included in the financial information reported.

Questioned Costs: None

Context: For one of two quarterly FNS-777 reports selected for testing, incorrect data was used to report total outlays for the report period. For both OCSE-396 reports selected for testing incentive payment expenditures were improperly reported.

Cause: The Department's internal controls failed to detect the errors prior to submission of the report.

Effect: Total outlays reported were overstated on the FNS-777 report by approximately \$33,000 and the combined improperly reported expenditures reported on the two OCSE-396 reports totaled \$2,535,186.

Recommendation: We recommend that the Department strengthen its internal controls and processes to ensure that quarterly reports are free from error prior to submission of the report.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 160.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (CONTINUED)

2018 – 016. Activities Allowed or Unallowed and Allowable Costs/Cost Principles

Federal Agency: U.S. Department of Agriculture

Federal Program Title: Child and Adult Care Food Program

CFDA No.: 10.558

Federal Grant ID Number: 5SC300329

Pass-Through Entity: Not applicable

Award Period: October 1, 2017 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 7 CFR § 226.10 (e) a final Claim for Reimbursement shall be postmarked and/or submitted to the State agency not later than 60 days following the last day of the full month covered by the claim. State agencies may establish shorter deadlines at their discretion. Claims not postmarked and/or submitted within 60 days shall not be paid with Program funds unless Food and Nutrition Service determines that an exception should be granted.

Condition: The Department paid a claim for reimbursement that was submitted more than 60 days after the end of the covered claim period, without the approval of the Federal grantor.

Questioned Costs: \$1,590

Context: For one of forty reimbursement claims selected for testing, the claim paid was not allowable based on Federal regulations and no exception was granted by the Federal grantor to permit the claim to be paid.

Cause: The Department's internal controls were ineffective in preventing payment approval for late claim submissions.

Effect: Program funds were used to pay a claim for reimbursement that was not allowable in accordance with Federal regulations.

Recommendation: We recommend that the Department strengthen its internal controls and processes to ensure that reimbursement claims submitted more than 60 days after the end of the covered claim period are not paid without Federal grantor approval.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 160.

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SOUTH CAROLINA DEPARTMENT OF SOCIAL SERVICES (L04) (Continued)

2018 – 017. Eligibility

Federal Agency: U.S. Department of Agriculture

Federal Program Title: Child and Adult Care Food Program

CFDA No.: 10.558

Federal Grant ID Number: 5SC300329

Pass-Through Entity: Not applicable

Award Period: October 1, 2017 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 7 CFR § 226.6(b)(3) Any new or renewing institution applying for participation in the Program must be notified in writing of approval or disapproval by the State agency, within 30 calendar days of the State agency's receipt of a complete application. Whenever possible, State agencies should provide assistance to institutions that have submitted an incomplete application. Any disapproved applicant institution or family day care home must be notified of the reasons for its disapproval and its right to appeal under paragraph (k) or (l), respectively, of this section.

Condition: Documentation was not adequate to verify that institutions that submitted applications to participate in the Program were notified in writing of approval or disapproval by the Department within 30 days of receiving a complete application.

Questioned Costs: None

Context: For fifty-one of sixty institutions selected for testing, the subrecipient's application was processed through a newly implemented online application system and the resulting supporting documentation was not adequate to verify timely notification of subrecipient application approval or disapproval.

Cause: The Department's internal controls failed ensure the ability to demonstrate compliance with timely subrecipient application status with the implementation of a new system.

Effect: Timely notification of subrecipient application status, in accordance with the Federal regulations, could not be demonstrated.

Recommendation: We recommend that the Department review its internal controls to ensure that compliance with timely notification of subrecipient application approval or disapproval is adequately documented either within its online application system or otherwise.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Officials and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 161.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63)

2018 – 018. Cash Management

Federal Agency: Department of Education

Federal Program Title: Special Education Cluster (IDEA)

CFDA No.: 84.027 and 84.173

Federal Grant ID Number: H027A150081; H027A160081; H027A170081; H173A150085; H173A160085; H173A170085

Pass-Through Entity: Not applicable

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance; other matters

Criteria: Per 2 CFR § 200.333 Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient.

Condition: The Department did not retain documentation from their financial management system to support the level of expenses prompting a drawdown of funds.

Questioned Costs: None

Context: During our follow-up testing of Cash Management, we found 1 instance of 10 tested in which the Department's internal drawdown form did not match the amount requested. This resulted in an under-drawn variance of \$798,012.

This is a repeat finding from the FY17 Single Audit. The Department stated on its Summary Schedule of Prior Year Audit Findings that this issue was "Fully Corrected with Previously Reported Corrective Action Implemented". Due to this issue repeating for FY18, this issue has not been fully corrected.

Cause: The Department did not follow their policies and procedures regarding the maintenance of adequate supporting documentation for each Federal reimbursement draw request. Per the Department, this was caused by employee error.

Effect: The Department had a drawdown of funds that was not supported by the actual level of expenses.

Recommendation: We recommend that the Department strengthen their policies and procedures to ensure that proper documentation is maintained to support the level of expenses prompting a drawdown of funds.

Prior Year Single Audit Finding Number: 2017-014

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 162.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

2018 – 019. Matching

Federal Agency: Department of Education

Federal Program Title: Child Nutrition Cluster

CFDA No.: 10.553; 10.555

Federal Grant ID Number: 201616N109945; 201717N109945

Pass-Through Entity: Not applicable

Award Period: October 1, 2015 through September 30, 2017

Type of Finding: Significant deficiency in internal control over compliance

Criteria: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of monitoring and reporting program performance. The Department should have internal controls designed to ensure compliance with those provisions.

Condition: The Annual Report of State Revenue Matching was not reviewed by an employee other than the preparer prior to submission.

Questioned Costs: None

Context: During our testing of the Annual Report of State Revenue Matching, which documents the final match for the grant, we noted that proper approval and reviews were not being documented as performed.

Cause: The Department cited staff turnover which caused the lack of review.

Effect: The Department's lack of review could result in inaccurate reporting and failure to meet matching requirements.

Recommendation: We recommend the Department strengthen their policies and procedures to ensure an adequate review of reports related to matching requirements.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 163.

2018 – 020. Reporting

Federal Agency: Department of Education

Federal Program Title: Child Nutrition Cluster

CFDA No.: 10.553; 10.555

Federal Grant ID Number: 201717N109945; 201818N109945

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance; other matters

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

2018 – 020. Reporting (Continued)

Criteria: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of monitoring and reporting program performance. The Department should have internal controls designed to ensure compliance with those provisions. Additionally, per 2 CFR § 200.333 Financial records, supporting documents, statistical records, and all other non-Federal entity records pertinent to a Federal award must be retained for a period of three years from the date of submission of the final expenditure report or, for Federal awards that are renewed quarterly or annually, from the date of the submission of the quarterly or annual financial report, respectively, as reported to the Federal awarding agency or pass-through entity in the case of a subrecipient.

Condition: During our testing and per discussion with Department personnel, we discovered that three reports were not reviewed by an employee other than the preparer prior to submission. Additionally, Department personnel was unable to provide adequate supporting documentation for two reports.

Questioned Costs: None

Context: We tested the FNS-777, FNS-10, and FNS-418 reports and noted the reports were not reviewed by an individual separate from the preparer prior to submission. We also tested the August FNS-10 30-Day report and the July FNS-418 30 Day report and noted that Department personnel could not provide supporting documentation to verify the accuracy of the key line items.

Cause: The Department cited staff turnover which caused the lack of review. Also, the supporting documentation was accidentally written over due to a new employee's lack of understanding of how the system worked.

Effect: Reporting amounts are not supported by adequate documentation or review which may result in the improper calculation and issuance of quarterly grant awards.

Recommendation: We recommend the Department strengthen its policies and procedures to ensure the amounts reported on reports are accurate and supported by documentation that is properly maintained and reviewed.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 163.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

2018 – 021. Subrecipient Monitoring

Federal Agency: Department of Education

Federal Program Title: Career and Technical Education

CFDA No.: 84.048

Federal Grant ID Number: V048A150040; V048A160040; V048A170040

Pass-Through Entity: Not applicable

Award Period: July 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance; other matters

Criteria: Per 2 CFR § 200.331 (d) all pass-through entities must monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved.

Condition: The Department did not maintain support for subrecipient monitoring during the audit period in accordance with their program policies and procedures.

Questioned Costs: None

Context: For 1 of the 9 subrecipients tested, the Department did not have adequate supporting documentation of their on-site monitoring visit for the school district.

This is a repeat finding from the FY17 Single Audit. The Department stated on its Summary Schedule of Prior Year Audit Findings that this issue was “Fully Corrected with Previously Reported Corrective Action Implemented”. Due to this issue repeating for FY18, this issue has not been fully corrected.

Cause: The Department was unable to provide support for subrecipient monitoring in accordance with their policies and procedures.

Effect: The Department is not in compliance with its federal subrecipient monitoring requirements.

Recommendation: We recommend the Department strengthen its policies and procedures for the program to ensure periodic monitoring is performed for all subrecipients, and adequate support of the monitoring is maintained.

Prior Year Single Audit Finding Number: 2017-017.

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 163.

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SOUTH CAROLINA DEPARTMENT OF EDUCATION (H63) (CONTINUED)

2018 – 022. Cash Management

Federal Agency: Department of Education

Federal Program Title: Twenty-First Century Community Learning Centers

CFDA No.: 84.287

Federal Grant ID Number: S287C150041; S287C160041; S287C170041

Pass-Through Entity: Not applicable

Award Period: July 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance

Criteria: 2 CFR Part 200 Uniform Administrative Requirements, Cost Principles, and Audit Requirements for Federal Award requires compliance with the provisions of monitoring and reporting program performance. The Department should have internal controls designed to ensure compliance with those provisions.

Condition: The Department does not have adequate internal controls in place regarding the proper review of drawdown requests.

Questioned Costs: None

Context: For 2 of the 18 drawdowns selected for testing, from a sample population of 115, there was no second signature on the drawdown supporting documentation pertaining to the selected grant, as required by agency policies and procedures.

Cause: The Department has not implemented policies and procedures to ensure that drawdown requests are properly reviewed and approved before they are submitted.

Effect: The Department may request improper drawdowns that have not been approved and properly reviewed for accuracy.

Recommendation: We recommend that the Department strengthen their policies and procedures to ensure that proper documentation is maintained to support the review and approval of a drawdown of funds.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 164.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)

2018 – 023. Period of Performance

Federal Agency: Department of Agriculture

Federal Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

CFDA No.: 10.557

Federal Grant ID Number: 5SC700715

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2017

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 2 CFR § 200.309 Period of Performance, a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance (except as described in §200.461 Publication and printing costs) and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.

Condition: The Department did not have a process in place to ensure expenses were for services performed during the related award's period of performance.

Questioned Costs: Unknown

Context: For 1 of the 40 samples tested, it was noted that the invoice paid was for services performed outside of the period of performance.

Cause: The invoice charged to the award was for goods or services rendered during a prior fiscal year.

Effect: The Department may request reimbursement for expenses not incurred within the period of performance.

Recommendation: We recommend that the Department strengthen internal controls to ensure all expenditures charged to a grant are incurred during the award's period of performance.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 166.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 024. Eligibility

Federal Agency: Department of Agriculture

Federal Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

CFDA No.: 10.557

Federal Grant ID Number: 5SC700715; 5SC700706

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 7 CFR § 246.7(e) Nutritional risk, to be certified as eligible for the Program, applicants who meet the Program's eligibility standards specified in paragraph (c) of this section must be determined to be at nutritional risk. Except as stated in paragraph (e)(1)(v) of this section, at least one determination of nutritional risk must be documented at the time of certification in order for an income eligible applicant to receive WIC benefits. (1) Determination of nutritional risk. (i) Required nutritional risk data. (A) At a minimum, height or length and weight measurements shall be performed and/or documented in the applicant's file at the time of certification.

Condition: The Department failed to perform and document the required nutritional risk assessment for an applicant that was certified to receive program benefits.

Questioned Costs: Unknown

Context: For 1 of the 60 samples tested, it was noted that eligibility of the program participant was not determined and documented in accordance with the nutritional risk eligibility provisions.

Cause: The Department did not follow their policies and procedures which required a follow-up evaluation to be performed to complete the nutritional risk assessment.

Effect: The Department may provide benefits to participants that are not eligible to receive program benefits.

Recommendation: We recommend that the Department strengthen controls to ensure documentation is obtained and reviewed to support eligibility with the nutritional risk criteria.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 167.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 025. Special Tests and Provisions

Federal Agency: Department of Agriculture

Federal Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

CFDA No.: 10.557

Federal Grant ID Number: 5SC700715; 5SC700706

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance

Criteria: Per 7 CFR § 246.12(q) Food instrument and cash-value voucher disposition, the State agency must account for the disposition of all food instruments and cash-value vouchers as either issued or voided, and as either redeemed or unredeemed. Redeemed food instruments and cash-value vouchers must be identified as validly issued, lost, stolen, expired, duplicate, or not matching valid enrollment and issuance records.

Per 2 CFR §200.303 Internal controls, the non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: The Department is performing monthly reconciliations to monitor the disposition of food instruments and cash-value vouchers. However, The Department's internal controls failed to detect an error in the monthly reconciliation.

Questioned Costs: None

Context: For 1 of the 4 monthly reconciliations reviewed, there was an error noted where the amount reported within the reconciliation did not agree with the underlying documentation.

Cause: The Department's internal controls for monitoring the disposition of food instruments and cash-value vouchers are not operating effectively.

Effect: Errors may occur in the monthly reconciliations that are not detected via the Department's internal controls over this process that could impact the Department's process for tracking food instrument and cash-value voucher disposition.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 025. Special Tests and Provisions (Continued)

Recommendation: We recommend that the Department strengthen internal controls to ensure monthly reconciliations are completed and reviewed accurately to monitor the disposition of food instruments and cash-value vouchers in accordance with provisions.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 167.

2018 – 026. Special Tests and Provisions

Federal Agency: Department of Agriculture

Federal Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

CFDA No.: 10.557

Federal Grant ID Number: 5SC700715; 5SC700706

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 7 CFR §246.12(k) Retail food delivery systems: Vendor claims—(1) System to review food instruments and cash-value vouchers for vendor claims. The State agency must design and implement a system to review food instruments and cash-value vouchers submitted by vendors for redemption to ensure compliance with the applicable price limitations and to detect questionable food instruments or cash-value vouchers, suspected vendor overcharges, and other errors. This review must examine either all or a representative sample of the food instruments and cash-value vouchers and may be done either before or after the State agency makes payments on the food instruments or cash-value vouchers. The review of food instruments must include a price comparison or other edit designed to ensure compliance with the applicable price limitations and to assist in detecting vendor overcharges. For printed food instruments and cash-value vouchers the system also must detect the following errors—purchase price missing; participant, parent/caretaker, or proxy signature missing; vendor identification missing; food instruments or cash-value vouchers transacted or redeemed after the specified time periods; and, as appropriate, altered purchase price. The State agency must take follow-up action within 120 days of detecting any questionable food instruments or cash-value vouchers, suspected vendor overcharges, and other errors and must implement procedures to reduce the number of errors when possible.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 026. Special Tests and Provisions (Continued)

Condition: The Department failed to perform and document the review of redeemed food instruments and cash-value vouchers.

Questioned Costs: Unknown

Context: For 2 of the 4 quarters during the fiscal year, adequate documentation could not be provided to substantiate that the Department was following their procedures for reviewing and following up on erroneous or questionable redeemed food instruments and cash-value vouchers.

Cause: The Department encountered problems with vendor information during the year which resulted in numerous errors within the reports generated to identify potential overcharges. This created difficulties in timely reviewing and resolving suspicious redeemed food instruments and cash-value vouchers.

Effect: The Department may not identify payments of WIC food funds to vendors that do not conform to program regulations and the Department's vendor, farmer, or farmers' market agreements to detect errors and, where applicable, enforce price limitations.

Recommendation: We recommend that the Department strengthen internal controls to ensure quarterly reviews and follow up on erroneous or questionable redeemed food instruments and cash-value vouchers are performed in accordance with the established policies/procedures.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 168.

2018 – 027. Special Tests and Provisions

Federal Agency: Department of Agriculture

Federal Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

CFDA No.: 10.557

Federal Grant ID Number: 5SC700715; 5SC700706

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 027. Special Tests and Provisions (Continued)

Criteria: Per 7 CFR §246.12(g)(4)(i) Vendors that meet the above-50-percent criterion. Vendors that derive more than 50 percent of their annual food sales revenue from WIC food instruments, and new vendor applicants expected to meet this criterion under guidelines approved by FNS, are defined as above-50-percent vendors. Each State agency annually must implement procedures approved by FNS to identify authorized vendors and vendor applicants as either above-50-percent vendors or regular vendors, in accordance with paragraphs (g)(4)(i)(E) and (g)(4)(i)(F) of this section. The State agency must receive FNS certification of its vendor cost containment system under section 246.12(g)(4)(vi) prior to authorizing any above-50-percent vendors.

Per 2 CFR §200.303 Internal controls, the non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States or the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: The Department is performing a process to monitor for potential above 50 percent vendors. However, errors were noted within the process that were not identified via the Department’s internal controls over this process.

Questioned Costs: None

Context: For 2 of the 10 vendors reviewed, it was noted that the Potential Above 50% Vendor Assessment Forms were not accurately completed in accordance with the Department’s policies and procedures.

Cause: The Department’s internal controls failed to detect errors in their process for monitoring potential above 50 percent vendors.

Effect: Errors may occur in the process for monitoring potential above 50 percent vendors which are not detected via the Department’s internal controls over this process which could result in the Department using vendors that derive more than 50 percent of their annual food sales revenue from WIC food instruments without the required FNS certification.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 027. Special Tests and Provisions (Continued)

Recommendation: We recommend that the Department strengthen internal controls to ensure the process to monitor for potential above 50 percent vendors is completed accurately and in accordance with their established policies/procedures.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 168.

2018 – 028. Procurement, Suspension and Debarment

Federal Agency: Department of Agriculture

Federal Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

CFDA No.: 10.557

Federal Grant ID Number: 5SC700715; 5SC700706

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance

Criteria: Per 2 CFR § 200.318 (h) the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Condition: The Department did not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction for the entire fiscal year.

Questioned Costs: None

Context: The Department was deemed to be in compliance with these provisions for the fiscal year; however, no internal control process was noted to be in place for the entire fiscal year to ensure such compliance for all vendors. For 5 of 9 procurements selected for testing, there were no procedures performed to verify outside entities were not suspended or debarred.

Cause: The Department implemented a process to verify that vendors awarded contracts from federal funds were not suspended or debarred but it was not in place for the entire fiscal year.

Effect: The Department may enter into a covered transaction with a contractor that is suspended or debarred.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 028. Procurement, Suspension and Debarment (Continued)

Recommendation: We recommend that the Department continue to implement their process to verify that all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 169.

2018 – 029. Activities Allowed or Unallowed & Allowable Costs/Cost Principles – Indirect Costs

Federal Agency: Department of Agriculture

Federal Program Title: Special Supplemental Nutrition Program for Women, Infants, and Children (WIC)

CFDA No.: 10.557

Federal Grant ID Number: 5SC700715; 5SC700706

Pass-Through Entity: Not applicable

Award Period: October 1, 2016 through September 30, 2018

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per Appendix V to Part 200-State/Local Government Wide Central Service Cost Allocation Plans G.4. Adjustments of Billed Central Services, Billing rates used to charge Federal awards must be based on the estimated costs of providing the services, including an estimate of the allocable central service costs. A comparison of the revenue generated by each billed service (including total revenues whether or not billed or collected) to the actual allowable costs of the service will be made at least annually, and an adjustment will be made for the difference between the revenue and the allowable costs. These adjustments will be made through one of the following adjustment methods: (a) a cash refund including earned or imputed interest from the date of transfer and debt interest, if applicable, chargeable in accordance with applicable Federal cognizant agency for indirect costs regulations to the Federal Government for the Federal share of the adjustment, (b) credits to the amounts charged to the individual programs, (c) adjustments to future billing rates, or (d) adjustments to allocated central service costs

Condition: The Department did not charge federal awards for indirect costs at rate consistent with the approved State and Local Governments Rate Agreement.

Questioned Costs: Unknown

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 029. Activities Allowed or Unallowed & Allowable Costs/Cost Principles – Indirect Costs (Continued)

Context: The total indirect costs charged to the federal award were charged at a rate which was 0.03% greater than the approved State and Local Governments Rate Agreement that was in effect for the fiscal year.

Cause: The approved rate was not received until April of 2018. Prior to April of 2018, the Department used the rate that was submitted to the federal oversight agency for approval. Upon receipt of the approved rate, the Department elected not to retroactively adjust the amounts charged to grant awards by the difference of 0.03%.

Effect: The Department charged indirect costs to a federal award at a rate differing from the approved State and Local Governments Rate Agreement.

Recommendation: We recommend that the Department implement policies and procedures to ensure that indirect costs are charged to federal awards at a rate consistent with the approved State and Local Governments Rate Agreement in effect during that period of time.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 170.

2018 – 030. Procurement, Suspension and Debarment

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance

Criteria: Per 2 CFR § 200.318 (h) the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Condition: The Department did not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction for the entire fiscal year.

Questioned Costs: None

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 030. Procurement, Suspension and Debarment (Continued)

Context: The Department was deemed to be in compliance with these provisions for the fiscal year; however, no internal control process was noted to be in place for the entire fiscal year to ensure such compliance for all vendors. For 1 of 3 procurements selected for testing, there were no procedures performed to verify outside entities were not suspended or debarred.

Cause: The Department implemented a process to verify that vendors awarded contracts from federal funds were not suspended or debarred but it was not in place for the entire fiscal year.

Effect: The Department may enter into a covered transaction with a contractor that is suspended or debarred.

Recommendation: We recommend that the Department continue to implement their process to verify that all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Prior Year Single Audit Finding Number: 2017-019

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 170.

2018 – 031. Subrecipient Monitoring

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Per 2 CFR § 200.331, all pass-through entities must: (b) evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section.

Condition: The Department utilizes a Risk Assessment Survey Form as part of its policies and procedures to evaluate each subrecipient's risk of non-compliance. The Department did not obtain and review the annual Risk Assessment Survey Form for all subrecipients.

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 031. Subrecipient Monitoring (Continued)

Questioned Costs: None

Context: For 2 of the 5 subrecipients tested, there was no documentation available to support that the annual Risk Assessment Survey Form was completed and reviewed in accordance with the Department's policies and procedures.

Cause: The subrecipients did not complete and return their annual Risk Assessment Survey Form to the Department for review.

Effect: The Department is not monitoring subrecipients in accordance with their policies and procedures.

Recommendation: We recommend that the Department implement policies and procedures to ensure that all annual subrecipient Risk Assessment Survey Forms are completed, returned, and reviewed in a timely manner.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 171.

2018 – 032. Activities Allowed or Unallowed & Allowable Costs/Cost Principles – Indirect Costs

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per Appendix V to Part 200-State/Local Government Wide Central Service Cost Allocation Plans G.4. Adjustments of Billed Central Services, Billing rates used to charge Federal awards must be based on the estimated costs of providing the services, including an estimate of the allocable central service costs. A comparison of the revenue generated by each billed service (including total revenues whether or not billed or collected) to the actual allowable costs of the service will be made at least annually, and an adjustment will be made for the difference between the revenue and the allowable costs. These adjustments will be made through one of the following adjustment methods: (a) a cash refund including earned or imputed interest from the date of transfer and debt interest, if applicable, chargeable in accordance with

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(CONTINUED)

2018 – 032. Activities Allowed or Unallowed & Allowable Costs/Cost Principles – Indirect Costs (Continued)

Applicable Federal cognizant agency for indirect costs regulations to the Federal Government for the Federal share of the adjustment, (b) credits to the amounts charged to the individual programs, (c) adjustments to future billing rates, or (d) adjustments to allocated central service costs.

Condition: The Department did not charge federal awards for indirect costs at a rate consistent with the approved State and Local Governments Rate Agreement.

Questioned Costs: Unknown

Context: For 5 of the 5 awards tested, the total indirect costs charged to the federal award were charged at a rate which was 0.03% greater than the approved State and Local Governments Rate Agreement that was in effect for the fiscal year.

Cause: The approved rate was not received until April of 2018. Prior to April of 2018, the Department used the rate that was submitted to the federal oversight agency for approval. Upon receipt of the approved rate, the Department elected not to retroactively adjust the amounts charged to grant awards by the difference of 0.03%.

Effect: The Department charged indirect costs to a federal award at a rate differing from the approved State and Local Governments Rate Agreement.

Recommendation: We recommend that the Department implement policies and procedures to ensure that indirect costs are charged to federal awards at a rate consistent with the approved State and Local Governments Rate Agreement in effect during that period of time.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 172.

2018 – 033. Period of Performance

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance, other matters

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 033. Period of Performance (Continued)

Criteria: Per 2 CFR § 200.309 Period of Performance, a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance (except as described in §200.461 Publication and printing costs) and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.

Condition: The Department did not have a process in place to ensure costs charged to the award were for services performed during the related award's period of performance.

Questioned Costs: Unknown

Context: For 8 of the 25 transactions tested with period of performance beginning dates during the fiscal year, it was noted that the cost charged to the award was for services performed prior to the period of performance. For 4 of the 24 transactions tested with period of performance ending dates during the award period, it was noted that the cost charged was for services performed subsequent to the period of performance.

Cause: The Department charged the federal awards for services performed prior and subsequent to the related award's period of performance.

Effect: The Department may request reimbursement for expenses not incurred within the period of performance.

Recommendation: We recommend that the Department strengthen internal controls to ensure all charges to awards were incurred during the award's period of performance.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 172.

2018 – 034. Activities Allowed or Unallowed & Allowable Costs/Cost Principles – Indirect Costs

Federal Agency: Environmental Protection Agency

Federal Program Title: Capitalization Grants for Drinking Water State Revolving Funds

CFDA No.: 66.468

Federal Grant ID Number: FS-98431214; FS-98431215; FS-98431216; FS-98431217

Pass-Through Entity: Not applicable

Award Period: October 1, 2014 through August 31, 2021

Type of Finding: Significant deficiency in internal control over compliance, other matters

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SOUTH CAROLINA DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL (J04)
(CONTINUED)

2018 – 034. Activities Allowed or Unallowed & Allowable Costs/Cost Principles – Indirect Costs (Continued)

Criteria: Per Appendix V to Part 200-State/Local Government Wide Central Service Cost Allocation Plans G.4. Adjustments of Billed Central Services, Billing rates used to charge Federal awards must be based on the estimated costs of providing the services, including an estimate of the allocable central service costs. A comparison of the revenue generated by each billed service (including total revenues whether or not billed or collected) to the actual allowable costs of the service will be made at least annually, and an adjustment will be made for the difference between the revenue and the allowable costs. These adjustments will be made through one of the following adjustment methods: (a) a cash refund including earned or imputed interest from the date of transfer and debt interest, if applicable, chargeable in accordance with applicable Federal cognizant agency for indirect costs regulations to the Federal Government for the Federal share of the adjustment, (b) credits to the amounts charged to the individual programs, (c) adjustments to future billing rates, or (d) adjustments to allocated central service costs.

Condition: The Department did not charge federal awards for indirect costs at a rate consistent with the approved State and Local Governments Rate Agreement.

Questioned Costs: Unknown

Context: The total indirect costs charged to the federal award were charged at a rate which was 0.03% greater than the approved State and Local Governments Rate Agreement that was in effect for the fiscal year.

Cause: The approved rate was not received until April of 2018. Prior to April of 2018, the Department used the rate that was submitted to the federal oversight agency for approval. Upon receipt of the approved rate, the Department elected not to retroactively adjust the amounts charged to grant awards by the difference of 0.03%.

Effect: The Department charged indirect costs to a federal award at a rate differing from the approved State and Local Governments Rate Agreement.

Recommendation: We recommend that the Department implement policies and procedures to ensure that indirect costs are charged to federal awards at a rate consistent with the approved State and Local Governments Rate Agreement in effect during that period of time.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 172.

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SOUTH CAROLINA DEPARTMENT OF NATURAL RESOURCES (P24)

2018 – 035. Subrecipient Monitoring

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Per 2 CFR § 200.330 a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor.

Additionally, per 2 CFR § 200.331 all pass-through entities must: (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes all of the required information at the time of the subaward (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraph (e) of this section, (c) Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in § 200.207 Specific conditions. (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. (f) Verify that every subrecipient is audited as required by Subpart F— Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501 Audit requirements. (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records. (h) Consider taking enforcement action against noncompliant subrecipients as described in § 200.338 Remedies for noncompliance of this part and in program regulations.

Condition: The Department does not have the necessary policies and procedures in place regarding subrecipient monitoring to facilitate compliance with federal requirements.

Questioned Costs: Unknown

Context: For 5 of the 5 subrecipients selected for testing, monitoring procedures were not completed to satisfy the federal requirements.

Cause: The corrective action plan developed in response to the prior year finding was not implemented during the fiscal year.

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SOUTH CAROLINA DEPARTMENT OF NATURAL RESOURCES (P24) (CONTINUED)

2018 – 035. Subrecipient Monitoring (Continued)

Effect: The Department is not in compliance with federal subrecipient monitoring requirements.

Recommendation: We recommend that the Department implement their policies and procedures to facilitate compliance with federal subrecipient monitoring requirements.

Prior Year Single Audit Report Finding Number: 2017-020

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 174.

2018 – 036. Cash Management

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance

Criteria: Per 31 CFR § 205.12(c)(5) Reimbursable funding means that a Federal Program Agency transfers Federal funds to a State after that State has already paid out the funds for Federal assistance program purposes.

Condition: The Department has an internal control process in place that does not adequately ensure that reimbursement requests sent to the federal cognizant agency are fully supported by expenditures already paid out by the state.

Questioned Costs: None

Context: The Department was deemed to be in compliance with these provisions for the fiscal year; however, standardized internal control processes did not exist to ensure that reimbursement was for expenditures already incurred and paid prior to receipt of federal funds.

Cause: The Department has not implemented an internal control process to ensure documentation supporting each reimbursement request is reviewed prior to request for funds.

Effect: The Department may draw funds in excess of the allowable expenses.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF NATURAL RESOURCES (P24) (CONTINUED)

2018 – 036. Cash Management (Continued)

Recommendation: We recommend that the Department implement an internal control process to ensure that all reimbursement requests are supported by paid expenditures prior to submission to the federal cognizant agency.

Prior Year Single Audit Report Finding Number: 2017-024

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 174.

2018 – 037. Reporting

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Significant deficiency in internal control over compliance

Criteria: Per 2 CFR § 200.303 Internal controls, the non-Federal entity must: (a) Establish and maintain effective internal control over the Federal award that provides reasonable assurance that the non-Federal entity is managing the Federal award in compliance with Federal statutes, regulations, and the terms and conditions of the Federal award. These internal controls should be in compliance with guidance in “Standards for Internal Control in the Federal Government” issued by the Comptroller General of the United States and the “Internal Control Integrated Framework”, issued by the Committee of Sponsoring Organizations of the Treadway Commission (COSO).

Condition: The Department submitted a Schedule of Expenditures of Federal Awards (SEFA) that contained incorrect information for certain awards.

Questioned Costs: None

Context: For 2 of the 173 awards within the Department's Research & Development Cluster there was incorrect information noted on the submitted SEFA.

Cause: The Department's internal controls failed to identify errors on the SEFA that was submitted.

Effect: The Department may report incorrect information on the SEFA.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
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SOUTH CAROLINA DEPARTMENT OF NATURAL RESOURCES (P24) (CONTINUED)

2018 – 037. Reporting (Continued)

Recommendation: We recommend that the Department strengthen internal controls regarding the preparation of their SEFA to ensure such errors are identified and corrected prior to submission.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 175.

SOUTH CAROLINA SEA GRANTS CONSORTIUM (P26)

2018 – 038. Subrecipient Monitoring

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Per 2 CFR § 200.330 a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor.

Additionally, per 2 CFR § 200.331 all pass-through entities must: (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes all of the required information at the time of the subaward (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraph (e) of this section, (c) Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in § 200.207 Specific conditions. (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. (f) Verify that every subrecipient is audited as required by Subpart F— Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501 Audit requirements. (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records. (h) Consider taking enforcement action against

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
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SOUTH CAROLINA SEA GRANTS CONSORTIUM (P26) (CONTINUED)

2018 – 038. Subrecipient Monitoring (Continued)

noncompliant subrecipients as described in § 200.338 Remedies for noncompliance of this part and in program regulations.

Condition: The Consortium does not have the necessary policies and procedures in place regarding subrecipient monitoring to facilitate compliance with federal requirements.

Questioned Costs: Unknown

Context: For 3 of the 5 subrecipients selected for testing, monitoring procedures were not completed to satisfy the federal requirements.

Cause: The Consortium has not established subrecipient monitoring policies and procedures to facilitate compliance with federal requirements. The Consortium implemented policies and procedures for subrecipient monitoring during the fiscal year, however, it was noted that these policies and procedures do not address all federal requirements.

Effect: The Consortium is not in compliance with the Federal subrecipient monitoring requirements.

Recommendation: We recommend that the Consortium implement policies and procedures to facilitate compliance with federal subrecipient monitoring requirements.

Prior Year Single Audit Report Finding Number: 2017-020

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 176.

2018 – 039. Procurement, Suspension and Debarment

Federal Agency: Various

Federal Program Title: Research and Development Cluster

CFDA No.: Various

Federal Grant ID Number: Various

Pass-Through Entity: Various

Award Period: Various

Type of Finding: Material weakness in internal control over compliance

Criteria: Per 2 CFR § 200.318 (h) the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

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 Schedule of Findings and Questioned Costs
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SOUTH CAROLINA SEA GRANTS CONSORTIUM (P26) (CONTINUED)

2018 – 039. Procurement, Suspension and Debarment (Continued)

Condition: The Consortium did not follow its policies and procedures to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Questioned Costs: None

Context: The Consortium was deemed to be in compliance with these provisions for the fiscal year; however, the established policies and procedures were not followed to ensure such compliance for all entities. For 1 of the 5 subawards selected for testing, the required certification could not be provided.

Cause: The Consortium provided the contractor with the certification but it was not signed and returned in accordance with the established policies and procedures.

Effect: The Consortium may enter into a covered transaction with a contractor that is suspended or debarred.

Recommendation: We recommend that the Consortium implement a process to ensure that the required certifications are completed and returned.

Prior Year Single Audit Report Finding Number: 2017-019

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 177.

SOUTH CAROLINA OFFICE OF THE ADJUTANT GENERAL (E24)

2018 – 040. Subrecipient Monitoring

Federal Agency: Department of Homeland Security

Federal Program Title: Disaster Grants – Public Assistance (Presidentially Declared Disasters)

CFDA No.: 97.036

Federal Grant ID Number: FEMA-4166-DR-SC; FEMA-4241-DR-SC; FEMA-4286-DR-SC; FEMA-4346-DR-SC

Pass-Through Entity: Not applicable

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Per 2 CFR § 200.331, all pass-through entities must: (b) evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraphs (d) and (e) of this section.

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SOUTH CAROLINA OFFICE OF THE ADJUTANT GENERAL (E24) (Continued)

2018 – 040. Subrecipient Monitoring (Continued)

Condition: The Office did not have adequate subrecipient monitoring policies and procedures in place.

Questioned Costs: Unknown.

Context: For 34 of the 34 subrecipients tested, it was noted that the subrecipient monitoring performed was not in accordance with the regulations.

Cause: The subrecipient monitoring performed by the Office was not sufficient to satisfy the regulations.

Effect: The Office may not identify and properly follow up on noncompliance of subrecipients.

Recommendation: We recommend that the Office implement policies and procedures to ensure that subrecipient monitoring is performed in accordance with the regulations.

Prior Year Single Audit Finding Number: 2017-010

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 179.

SOUTH CAROLINA DEPARTMENT OF COMMERCE (P32)

2018 – 041. Procurement, Suspension and Debarment

Federal Agency: Department of Housing and Urban Development

Federal Program Title: Community Development Block Grants/Entitlement Grants

CFDA No.: 14.218

Federal Grant ID Number: B-16-DH-45-0001; B-16-DL-45-0001

Pass-Through Entity: Not applicable

Award Period: October 12, 2016 through October 12, 2016 and June 12, 2017 through June 12, 2023

Type of Finding: Significant deficiency in internal control over compliance

Criteria: Per 2 CFR § 200.318 (h) the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Condition: The Department does not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Questioned Costs: None

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SOUTH CAROLINA DEPARTMENT OF COMMERCE (P32) (CONTINUED)

2018 – 041. Procurement, Suspension and Debarment (Continued)

Context: The Department was deemed to be in compliance with these provisions for the fiscal year; however, there was not a sufficient internal control process in place to ensure such compliance for all vendors. For 1 of the 4 vendors selected for testing, there were no procedures performed to verify outside entities were not suspended or debarred.

Cause: The Department has not implemented a process to verify that all vendors awarded contracts from federal funds were not suspended or debarred.

Effect: The Department may enter into a covered transaction with a contractor that is suspended or debarred.

Recommendation: We recommend that the Department implement a process to verify that all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Prior Year Single Audit Report Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 180.

SOUTH CAROLINA VOCATIONAL REHABILITATION DEPARTMENT (H73)

2018 – 042. Period of Performance

Federal Agency: Department of Education

Federal Program Title: Rehabilitation Services-Vocational Rehabilitation Grants to States

CFDA No.: 84.126

Federal Grant ID Number: H126A180060

Pass-Through Entity: Not applicable

Award Period: October 1, 2017 through September 30, 2019

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 2 CFR §200.309 Period of performance, a non-Federal entity may charge to the Federal award only allowable costs incurred during the period of performance and any costs incurred before the Federal awarding agency or pass-through entity made the Federal award that were authorized by the Federal awarding agency or pass-through entity.

Condition: The Department incorrectly posted program expenses from a prior period to the new award allocation prior to the beginning of its period of performance.

STATE OF SOUTH CAROLINA
 Schedule of Findings and Questioned Costs
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SOUTH CAROLINA VOCATIONAL REHABILITATION DEPARTMENT (H73) (CONTINUED)

2018 – 042. Period of Performance (Continued)

Questioned Costs: Unknown

Context: For 6 of the 60 samples tested, it was noted that the expenses were incurred prior to the period of performance.

Cause: The Department's internal controls failed to identify that the transactions related to a period prior to the period of performance for the award that they were charged.

Effect: The Department may charge expenses to awards prior to their period of performance.

Recommendation: We recommend that the Department strengthen its internal control process for reviewing program expenses charged to federal awards to ensure they were incurred during the grant period of performance.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 181.

2018 – 043. Eligibility

Federal Agency: Department of Education

Federal Program Title: Rehabilitation Services-Vocational Rehabilitation Grants to States

CFDA No.: 84.126

Federal Grant ID Number: H126A160060; H126A170060; H126A180060

Pass-Through Entity: Not applicable

Award Period: October 1, 2015 through September 30, 2019

Type of Finding: Significant deficiency in internal control over compliance, other matters

Criteria: Per 29 USC §722(a)(6) Timeframe for making an eligibility determination, The designated State unit shall determine whether an individual is eligible for vocational rehabilitation services under this subchapter within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless— (A) exceptional and unforeseen circumstances beyond the control of the designated State unit preclude making an eligibility determination within 60 days and the designated State unit and the individual agree to a specific extension of time; or (B) the designated State unit is exploring an individual's abilities, capabilities, and capacity to perform in work situations under paragraph (2)(B).

STATE OF SOUTH CAROLINA
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SOUTH CAROLINA VOCATIONAL REHABILITATION DEPARTMENT (H73) (CONTINUED)

2018 – 043. Eligibility (Continued)

Condition: The Department did not determine eligibility within the required time period in accordance with their program policies and procedures.

Questioned Costs: Unknown

Context: For 1 of the 60 samples tested, eligibility was not determined within 60 days of the individual's submission of an application for services. No documentation of extension letters covering the period that the eligibility determination was made could be provided.

Cause: The Department did not maintain documentation of extension letters and/or other supporting documentation that supported the delays in completion of eligibility determinations covering the full period between application submission and eligibility determination within the case management system.

Effect: The Department may not make eligibility determinations within a reasonable period of time.

Recommendation: We recommend that the Department strengthen internal controls to ensure that policies and procedures related to eligibility determinations are followed.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 182.

2018 – 044. Procurement, Suspension and Debarment

Federal Agency: Department of Education

Federal Program Title: Rehabilitation Services-Vocational Rehabilitation Grants to States

CFDA No.: 84.126

Federal Grant ID Number: H126A160060; H126A170060; H126A180060

Pass-Through Entity: Not applicable

Award Period: October 1, 2015 through September 30, 2019

Type of Finding: Material weakness in internal control over compliance

Criteria: Per 2 CFR § 200.318 (h) the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

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 Schedule of Findings and Questioned Costs
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SOUTH CAROLINA VOCATIONAL REHABILITATION DEPARTMENT (H73) (CONTINUED)

2018 – 044. Procurement, Suspension and Debarment (Continued)

Condition: The Department does not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Questioned Costs: None

Context: The Department was deemed to be in compliance with these provisions for the fiscal year; however, there was not a sufficient internal control process in place to ensure such compliance for all vendors. For 20 of the 20 vendors selected for testing, there were no procedures performed to verify outside entities were not suspended or debarred.

Cause: The Department has not implemented a process to verify that vendors awarded contracts from federal funds were not suspended or debarred.

Effect: The Department may enter into a covered transaction with a contractor that is suspended or debarred.

Recommendation: We recommend that the Department implement a process to verify that all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 183.

SOUTH CAROLINA COMMISSION FOR THE BLIND (L24)

2018 – 045. Eligibility

Federal Agency: Department of Education

Federal Program Title: Rehabilitation Services-Vocational Rehabilitation Grants to States

CFDA No.: 84.126

Federal Grant ID Number: H126A160061; H126A170061; H126A180061

Pass-Through Entity: Not applicable

Award Period: October 1, 2015 through September 30, 2019

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Per 34 CFR §361.47 Record of services, (a) the designated State unit must maintain for each applicant and eligible individual a record of services that includes, to the extent pertinent, each of the documentation identified within this subpart.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

2018 – 045. Eligibility (Continued)

Additionally, per 29 USC §722(a)(6) Timeframe for making an eligibility determination, The designated State unit shall determine whether an individual is eligible for vocational rehabilitation services under this subchapter within a reasonable period of time, not to exceed 60 days, after the individual has submitted an application for the services unless— (A) exceptional and unforeseen circumstances beyond the control of the designated State unit preclude making an eligibility determination within 60 days and the designated State unit and the individual agree to a specific extension of time; or (B) the designated State unit is exploring an individual's abilities, capabilities, and capacity to perform in work situations under paragraph (2)(B).

Condition: The Commission did not adequately document eligibility determinations within the required time period in accordance with their program policies and procedures.

Questioned Costs: Unknown

Context: For 27 of the 60 samples tested, eligibility determinations were inadequately documented or not determined within 60 days of the individual's submission of an application for services.

Cause: Case files were missing required documentation supporting the eligibility determination or extension.

Effect: The Commission may delay service delivery to eligible participants.

Recommendation: We recommend that the Commission strengthen internal controls to ensure that policies and procedures related to eligibility determinations are followed.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 184.

STATE OF SOUTH CAROLINA
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SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

2018 – 046. Reporting

Federal Agency: Department of Education

Federal Program Title: Rehabilitation Services-Vocational Rehabilitation Grants to States

CFDA No.: 84.126

Federal Grant ID Number: H126A160061; H126A170061; H126A180061

Pass-Through Entity: Not applicable

Award Period: October 1, 2015 through September 30, 2019

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: The requirements in 34 CFR §361.47 and 34 CFR §361.56, taken together, require State Vocational Rehabilitation agencies to maintain verifying documentation in an individual's case file, particularly regarding eligibility determinations, development of the individualized plan for employment, services provided, and case closure. Much of this information are key data elements required to be reported on the Case Service Report

Condition: Key data elements reported on the Commission's RSA-911 performance report did not agree with case service documentation.

Questioned Costs: None

Context: For 13 of the 60 samples tested, key data elements reported on the RSA-911 was contradictory to that contained in the case service documentation.

Cause: The Commission did not have sufficient internal controls and policies/procedures in place to ensure that all key data elements reported on the RSA-911 was in agreement with the underlying case service documentation.

Effect: The Commission may report incorrect information to the RSA.

Recommendation: We recommend that the Commission strengthen internal controls and implement policies/procedures to ensure key data elements reported on the RSA-911 are in agreement with the underlying case service documentation.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 185.

STATE OF SOUTH CAROLINA
Schedule of Findings and Questioned Costs
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SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

2018 – 047. Special Tests and Provisions

Federal Agency: Department of Education

Federal Program Title: Rehabilitation Services-Vocational Rehabilitation Grants to States

CFDA No.: 84.126

Federal Grant ID Number: H126A160061; H126A170061; H126A180061

Pass-Through Entity: Not applicable

Award Period: October 1, 2015 through September 30, 2019

Type of Finding: Material weakness in internal control over compliance, material noncompliance

Criteria: Per 34 CFR §361.45(e) Standards for developing the individualized plan for employment, the individualized plan for employment must be developed as soon as possible, but not later than 90 days after the date of determination of eligibility, unless the State unit and the eligible individual agree to the extension of that deadline to a specific date by which the individualized plan for employment must be completed.

Condition: The Commission did not complete its Individualized Plan for Employment (IPEs) timely in accordance with federal regulations and Commission written procedures.

Questioned Costs: Unknown

Context: For 9 of the 60 samples tested, the IPE was not developed within the timeframe required by Commission written procedures and federal regulations.

Cause: The Commission did not maintain documentation to adequately support the delay with the IPE development.

Effect: The Commission may not develop IPEs timely in accordance with federal regulations.

Recommendation: We recommend that the Commission strengthen internal controls to ensure that policies and procedures related to IPE development are followed.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 185.

STATE OF SOUTH CAROLINA
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SOUTH CAROLINA COMMISSION FOR THE BLIND (L24) (CONTINUED)

2018 – 048. Procurement, Suspension and Debarment

Federal Agency: Department of Education

Federal Program Title: Rehabilitation Services-Vocational Rehabilitation Grants to States

CFDA No.: 84.126

Federal Grant ID Number: H126A160061; H126A170061; H126A180061

Pass-Through Entity: Not applicable

Award Period: October 1, 2015 through September 30, 2019

Type of Finding: Material weakness in internal control over compliance

Criteria: Per 2 CFR § 200.318 (h) the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Condition: The Commission does not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Questioned Costs: None

Context: The Commission was deemed to be in compliance with these provisions for the fiscal year; however, there was not a sufficient internal control process in place to ensure such compliance for all vendors. For 8 of the 8 vendors selected for testing, there were no procedures performed to verify outside entities were not suspended or debarred.

Cause: The Commission has not implemented a process to verify that vendors awarded contracts from federal funds were not suspended or debarred.

Effect: The Commission may enter into a covered transaction with a contractor that is suspended or debarred.

Recommendation: We recommend that the Commission implement a process to verify that all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Prior Year Single Audit Finding Number: Not applicable

Views of Responsible Offices and Corrective Action Plan: Management agrees with the finding. See Corrective Action Plan at page 186.

Summary Schedule of Prior Audit Findings

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Summary Schedule of Prior Audit Findings
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|---|----------------|-------------------|--|------------------------------------|-----------------|--|-----------------------------|
| <u>FEDERAL AWARD FINDINGS AND QUESTIONED COSTS</u> | | | | | | | |
| <u>COMPREHENSIVE ANNUAL FINANCIAL REPORT</u> | | | | | | | |
| 2017 | 44 | 2017-001 | Financial Reporting | N/A | E12 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 44 | 2017-002 | Financial Reporting | N/A | E16 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 46 | 2017-003 | Financial Reporting | N/A | E24 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 46 | 2017-003 | Financial Reporting | N/A | J02 | Partially Resolved | Resolved |
| 2017 | 46 | 2017-003 | Financial Reporting | N/A | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 46 | 2017-003 | Financial Reporting | N/A | K05 | Partially Resolved | Resolved |
| 2017 | 46 | 2017-003 | Financial Reporting | N/A | R06 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| <u>US DEPARTMENT OF EDUCATION</u> | | | | | | | |
| 2015 | 117 | 2015-004 | Special Tests and Provisions | 84.126 | H73 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 57 | 2017-013 | Subrecipient Monitoring | 84.367 | H63 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 58 | 2017-014 | Cash Management | 84.027, 84.173 and 84.048 | H63 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-018 |
| 2017 | 60 | 2017-015 | Subrecipient Monitoring | 84.010 | H63 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 61 | 2017-016 | Earmarking (Matching, Level of Effort, Earmarking) | 84.287 | H63 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |

STATE OF SOUTH CAROLINA
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| <u>FEDERAL AWARD FINDINGS AND QUESTIONED COSTS</u> | | | | | | | |
| 2017 | 62 | 2017-017 | Subrecipient Monitoring | 84.048 | H63 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-021 |
| 2017 | 63 | 2017-018 | Reporting | 84.048 | H63 | Fully Corrected with Previously Reported Corrective Action Implemented | Corrective action ongoing |
| <u>US DEPARTMENT OF HEALTH AND HUMAN SERVICES</u> | | | | | | | |
| 2017 | 47 | 2017-004 | Matching, Level of Effort, Earmarking | 93.775, 93.777, and 93.778 | J02 | Unresolved | See Finding Number 2018-003 |
| 2017 | 48 | 2017-005 | Documentation of Eligibility (Eligibility) | 93.775, 93.777, and 93.778 | J02 | Partially Resolved | See Finding Number 2018-004 |
| 2017 | 49 | 2017-006 | Discontinuation of Medicaid Benefits (Eligibility) | 93.775, 93.777, and 93.778 | J02 | Partially Resolved | See Finding Number 2018-005 |
| 2017 | 51 | 2017-007 | Annual Eligibility Reviews (Eligibility) | 93.775, 93.777, and 93.778 | J02 | Partially Resolved | See Finding Number 2018-006 |
| 2017 | 52 | 2017-008 | Reporting | 93.775, 93.777, and 93.778 | J02 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 71 | 2017-025 | Reporting | 93.563 | L04 | Unresolved | See Finding Number 2018-011 |
| 2017 | 73 | 2017-027 | Reporting | 93.558 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 74 | 2017-028 | Activities Allowed or Unallowed & Allowable Costs/Cost Principles | 93.558 | L04 | Partially Resolved | Resolved |
| 2017 | 75 | 2017-029 | Reporting | 93.558 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |

STATE OF SOUTH CAROLINA
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| <u>FEDERAL AWARD FINDINGS AND QUESTIONED COSTS</u> | | | | | | | |
| 2017 | 76 | 2017-030 | Reporting | 93.563 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 77 | 2017-031 | Period of Performance | 93.558, 93.658, and 93.563 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 78 | 2017-032 | Reporting | 93.563 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-014 |
| <u>US DEPARTMENT OF HOMELAND SECURITY</u> | | | | | | | |
| 2017 | 53 | 2017-009 | Allowable Costs/Cost Principles | 97.036 | E24 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 54 | 2017-010 | Subrecipient Monitoring | 97.036 | E24 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-040 |
| <u>US DEPARTMENT OF DEFENSE</u> | | | | | | | |
| 2017 | 55 | 2017-011 | Period of Performance | 12.401 | E24 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 56 | 2017-012 | Procurement, Suspension, and Debarment | 12.401 | E24 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| <u>VARIOUS</u> | | | | | | | |
| 2017 | 64 | 2017-019 | Procurement, Suspension, and Debarment | Various | J04 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-030 |
| 2017 | 64 | 2017-019 | Procurement, Suspension, and Debarment | Various | P24 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 64 | 2017-019 | Procurement, Suspension, and Debarment | Various | P26 | Further Action Not Warranted | See Finding Number 2018-039 |
| 2017 | 65 | 2017-020 | Subrecipient Monitoring | Various | P24 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-035 |

STATE OF SOUTH CAROLINA
Summary Schedule of Prior Audit Findings
For the Year Ended June 30, 2018

| Fiscal Year | Page Number | Finding Number | Title of Finding | CFDA Number | State Agency | Agency Response | Auditor's Comment |
|---|-------------|----------------|---|--------------------|--------------|--|-----------------------------|
| <u>FEDERAL AWARD FINDINGS AND QUESTIONED COSTS</u> | | | | | | | |
| 2017 | 65 | 2017-020 | Subrecipient Monitoring | Various | P26 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-038 |
| 2017 | 66 | 2017-021 | Cash Management | Various | P26 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 67 | 2017-022 | Activities Allowed or Unallowed & Allowable Costs/Cost Principles | Various | P26 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 68 | 2017-023 | Matching (Matching, Level of Effort, Earmarking) | Various | P26 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 70 | 2017-024 | Cash Management | Various | P24 | Fully Corrected with Previously Reported Corrective Action Implemented | See Finding Number 2018-036 |
| <u>US DEPARTMENT OF AGRICULTURE</u> | | | | | | | |
| 2017 | 72 | 2017-026 | Subrecipient Monitoring | 10.558 | L04 | Paritally Resolved | Resolved |
| 2017 | 74 | 2017-028 | Activities Allowed or Unallowed & Allowable Costs/Cost Principles | 10.561 | L04 | Paritally Resolved | Resolved |
| 2017 | 77 | 2017-031 | Period of Performance | 10.551, and 10.561 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 78 | 2017-032 | Reporting | 10.558 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 79 | 2017-033 | Reporting | 10.551 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |
| 2017 | 80 | 2017-034 | Special Tests and Provisions | 10.551 | L04 | Fully Corrected with Previously Reported Corrective Action Implemented | Resolved |

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

Uniform Grant Guidance (2CFR Part 200.511) requires the auditee to prepare a Summary Schedule of Prior Audit Findings (Schedule). This Schedule identifies the status of all findings included in the prior audit's Schedule of Findings and Questioned Costs and the findings reported in the prior audit's Summary Schedule of Prior Audit Findings that were identified as unresolved or partially resolved.

For the findings associated with your agency, please select the appropriate response from the following list of current status options. Not all current status selections require comments, so please read each choice carefully before responding.

- Fully Corrected with Previously Reported Corrective Action Implemented - Select status if the finding is fully corrected by implementing the corrective action as previously reported. Additional comments are not required for findings with this status.
- Fully Corrected with Significantly Differing Corrective Action Implemented - Select status if the finding is fully corrected but, the corrective action that was implemented was significantly different than the corrective action originally reported. Comments should be provided below the status to explain the corrective action taken.
- Partially Resolved - Select status if the finding is only partially corrected. The planned corrective action that was implemented only partially corrected the deficiency and certain aspects of the problem remain; or only partial corrective action was taken during the fiscal year to correct the stated deficiency. Comments should be provided to describe the planned corrective action as well as the partial corrective action that was implemented during the fiscal year.
- Unresolved - Select status if the finding is not corrected. The planned corrective action was implemented but did not correct the deficiency and the stated condition remains; or no corrective action was taken to correct the problem. Comments should be provided to describe the planned corrective action.
- Further Action Not Warranted - The finding is no longer valid or does not warrant further action. Comments should be provided to explain the reason for this position. A federal award finding does not warrant further action when each of the following three situations has occurred:
 1. Two years have passed since the audit report containing the finding was submitted to the Federal Audit Clearinghouse;
 2. The federal agency or pass-through agency is not currently following up on the finding; and
 3. A management decision by the federal agency was not issued within six months of receipt of the report.



State of South Carolina
Summary Schedule of Prior Audit Findings
06/30/2018

Reference Number: 2015-004
Federal Agency: Department of Education
State Agency: South Carolina Vocational Rehabilitation Department
CFDA Number: 84.126
Federal Program Name: Rehabilitation Services - Vocational Rehabilitation Grants to States
Compliance Requirement: N. Special Tests and Provisions
Type of Finding: Compliance & Control

Condition

The Department did not complete its Individualized Plan for Employment (IPEs) timely in accordance with federal regulations and Department written procedures.

Current Status: Fully Corrected with Previously Reported Corrective Action Implemented

Comment: Not Required

Felicia W. Johnson, Interim Commissioner

The South Carolina Vocational Rehabilitation Department prepares and assists
eligible South Carolinians with disabilities to achieve and maintain competitive employment

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The State of South Carolina
Military Department



OFFICE OF THE ADJUTANT GENERAL
1 NATIONAL GUARD ROAD
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State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

| | |
|-------------------------------|---|
| Reference Number | 2016-021 |
| Federal Agency | Department of Homeland Security |
| State Agency | South Carolina Office Of The Adjutant General |
| CFDA Number | 97.036 |
| Federal Program Name | Disaster Grants – Public Assistance (Presidentially Declared Disasters) |
| Compliance Requirement | B. Allowable Costs/Cost Principles |
| Type of Finding | Compliance & Control |

Condition

Payment, which was not due, was made to a special contract employee of the grant and was subsequently written off as uncollectable.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Comment

The amount was unable to be collected and was written off to a State expense and taken off the Federal Expense. Any overpayment not authorised by the Federal Grant will be expensed to State Expenses.



Commissioner
James M. Kirby

South Carolina Commission for the Blind

1430 CONFEDERATE AVENUE • P.O. BOX 2467 COLUMBIA, SC
29202 PHONE: (803) 898-8822 • FAX: (803) 898-8845

State of South Carolina Summary Schedule of Prior Audit Findings 6/30/2018

| | |
|-------------------------------|---|
| Reference Number | 2016-023 |
| Federal Agency | Department of Education |
| State Agency | South Carolina Commission For The Blind |
| CFDA Number | 84.126 |
| Federal Program Name | Rehabilitation Services – Vocational Rehabilitation Grants to States |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

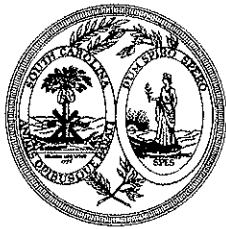
Follow-up testing of the RSA-911 federal report filed by the Commission revealed several discrepancies which were consistent with the finding in the prior year.

Current Status

· Partially Resolved

Comment

In the process of integrating
SCEIS and AWARE systems so that
data can be retrieved more accurately.



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WILLIAM E. GUNN
CHIEF OF STAFF

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

| | |
|-------------------------------|---|
| Reference Number | 2017-001 |
| Federal Agency | N/A-CAFR |
| State Agency | South Carolina Comptroller General's Office |
| CFDA Number | N/A-CAFR |
| Federal Program Name | N/A-CAFR |
| Compliance Requirement | N/A-CAFR |
| Type of Finding | N/A-CAFR |

Condition

Internal controls over financial reporting were inadequate to prevent or detect material misstatements during the preparation of the State's Comprehensive Annual Financial Report (CAFR) and in the supporting accounting records, requiring the Comptroller General's Office (CGO) to post adjustments to the State's CAFR.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented.

Comment

The control issues mentioned in 2017-001 have been corrected. The CGO has reviewed the findings caused by our workpapers and has corrected the workpapers.



THE HONORABLE CURTIS M. LOFTIS, JR.
State Treasurer

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-002 |
| Federal Agency | N/A-CAFR |
| State Agency | South Carolina State Treasurer's Office |
| CFDA Number | N/A-CAFR |
| Federal Program Name | N/A-CAFR |
| Compliance Requirement | N/A-CAFR |
| Type of Finding | N/A-CAFR |

Condition

As of June 30, 2017, the reconciliation of internal activity related to cash and investments included in the South Carolina Enterprise Information System (SCEIS) had not been completed.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

The State of South Carolina

Military Department



**OFFICE OF THE ADJUTANT GENERAL
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**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-003 |
| Federal Agency | N/A-CAFR |
| State Agency | South Carolina Adjutant General's Office |
| CFDA Number | N/A-CAFR |
| Federal Program Name | N/A-CAFR |
| Compliance Requirement | N/A-CAFR |
| Type of Finding | N/A-CAFR |

Condition

Grant receivables and unearned revenue should be calculated at the individual grant award level, as determined by the original award document from the grantor, in order to accurately capture the grant receivable and unearned grant revenue balances as of the fiscal year end. In order to properly report receivable and unearned revenue balances cash receipts must be posted against the correct account. We noted grants that had both receivable and unearned revenue amounts reported in the general ledger.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Comment

The error occurred when an amount was copied into the report as a debit rather than a credit. A procedure has been put in place to show the totals on the original page to be matched with the Closing Package to indicate when an error has occurred.

Henry McMaster GOVERNOR
 Joshua D. Baker DIRECTOR
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State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

| | |
|-------------------------------|--|
| Reference Number | 2017-003 |
| Federal Agency | N/A-CAFR |
| State Agency | South Carolina Department of Health and Human Services |
| CFDA Number | N/A-CAFR |
| Federal Program Name | N/A-CAFR |
| Compliance Requirement | N/A-CAFR |
| Type of Finding | N/A-CAFR |

Condition

Grant receivables and unearned revenue should be calculated at the individual grant award level, as determined by the original award document from the grantor, in order to accurately capture the grant receivable and unearned grant revenue balances as of the fiscal year end. In order to properly report receivable and unearned revenue balances cash receipts must be posted against the correct account. We noted grants that had both receivable and unearned revenue amounts reported in the general ledger.

Current Status

Partially Resolved - Comment Below

Comment

The reporting package was completed according to the instructions provided, which specify that "A separate line entry should be made for each grant award (determined from the grantor's grant award number). As a result, one grant award may have a receivable and another grant award may have a deferred revenue."

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-003 |
| Federal Agency | N/A-CAFR |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | N/A-CAFR |
| Federal Program Name | N/A-CAFR |
| Compliance Requirement | N/A-CAFR |
| Type of Finding | N/A-CAFR |

Condition

Grant receivables and unearned revenue should be calculated at the individual grant award level, as determined by the original award document from the grantor, in order to accurately capture the grant receivable and unearned grant revenue balances as of the fiscal year end. In order to properly report receivable and unearned revenue balances cash receipts must be posted against the correct account. We noted grants that had both receivable and unearned revenue amounts reported in the general ledger.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented



South Carolina Department of Public Safety

State of South Carolina Summary Schedule of Prior Audit Findings 6/30/2018

| | |
|-------------------------------|--|
| Reference Number | 2017-003 |
| Federal Agency | N/A-CAFR |
| State Agency | South Carolina Department of Public Safety |
| CFDA Number | N/A-CAFR |
| Federal Program Name | N/A-CAFR |
| Compliance Requirement | N/A-CAFR |
| Type of Finding | N/A-CAFR |

Condition

Grant receivables and unearned revenue should be calculated at the individual grant award level, as determined by the original award document from the grantor, in order to accurately capture the grant receivable and unearned grant revenue balances as of the fiscal year end. In order to properly report receivable and unearned revenue balances cash receipts must be posted against the correct account. We noted grants that had both receivable and unearned revenue amounts reported in the general ledger.

Current Status

Partially Resolved - Comment Below

Comment

The Department of Public Safety has implemented new procedures to ensure the appropriate reporting of receivables and unearned revenue balances by posting revenue at the sub recipient level for grant reimbursements. During the period ending June 30, 2018, the agency also began to make correcting entries to adjust revenue previously received at the master grant level down to the sub recipient level. Although the agency has been working diligently to ensure all grant revenue and expenditure postings are accurate, a few prior discrepancies remain unresolved.

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Henry McMaster
Governor

Jamie D. Suber
Acting Executive Director

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-003 |
| Federal Agency | N/A-CAFR |
| State Agency | South Carolina Department of Employment and Workforce |
| CFDA Number | N/A-CAFR |
| Federal Program Name | N/A-CAFR |
| Compliance Requirement | N/A-CAFR |
| Type of Finding | N/A-CAFR |

Condition

Grant receivables and unearned revenue should be calculated at the individual grant award level, as determined by the original award document from the grantor, in order to accurately capture the grant receivable and unearned grant revenue balances as of the fiscal year end. In order to properly report receivable and unearned revenue balances cash receipts must be posted against the correct account. We noted grants that had both receivable and unearned revenue amounts reported in the general ledger.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

| | |
|-------------------------------|--|
| Reference Number | 2017-004 |
| Federal Agency | Department of Health and Human Services |
| State Agency | South Carolina Department of Health and Human Services |
| CFDA Number | 93.775, 93.777, 93.778 |
| Federal Program Name | Medicaid Cluster |
| Compliance Requirement | G. Matching, Level of Effort, Earmarking |
| Type of Finding | Compliance & Control |

Condition

The Department was not in compliance with the Federal matching requirement for family planning services or family planning related services.

Current Status

Unresolved - Comment Below

Comment

We are actively working on a plan to correct the Family Planning issue. To date, we have completed a comprehensive code analysis to correctly classify CPT and HCPCS codes as either Family Planning (90/10 match) or Family Planning Related (70/30 match). Our next step is to configure our MMIS system with the appropriate program indicators for each ICD, CPT, and HCPCS code in order to drive the code to the appropriate family planning fund code for proper matching. We will also ensure the applicable policy manuals are updated to reflect our family planning services.



State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

Reference Number 2017-005
Federal Agency Department of Health and Human Services
State Agency South Carolina Department of Health and Human Services

CFDA Number 93.77S, 93.777, 93.778
Federal Program Name Medicaid Cluster
Compliance Requirement E. Eligibility
Type of Finding Compliance & Control

Condition
Eligibility files did not contain adequate documentation to support the Medicaid recipients' eligibility statuses.

Current Status Partially Resolved

Comment:

A more permanent solution is in progress as EEMS is currently working toward a paper free environment with a project for scanning and uploading all remaining paper case files for active beneficiaries into the Electronic Document Management System (OnBase). This eliminates the need to attempt to track down historical documents. As part of this effort, a team of designated staff has visited county offices and developed a plan for the scanning and uploading of any remaining paper files in the county offices into the Electronic Document Management System (OnBase) so that they can be accessed as needed with the current case file. This project is currently being implemented with completion anticipated in early calendar year 2019. For a situation in which required documents are not found in the case file, it is necessary to determine what steps need to be taken to either continue or terminate eligibility. This may include the completion of a new application, obtaining a Level of Care or otherwise, depending on the document that is missing.

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

Reference Number 2017-006
Federal Agency Department of Health and Human Services
State Agency South Carolina Department of Health and Human Services

CFDA Number 93.775, 93.777, 93.778
Federal Program Name Medicaid Cluster
Compliance Requirement E. Eligibility
Type of Finding Compliance & Control

Condition

The Department did not discontinue the Medicaid benefits of ineligible recipients.

Current Status Partially Resolved

Comment

Periodic Auto Renewal (PAR) was implemented April 2018. As of mid-August 2018, approximately 15,000 members remained ineligible from the original April PAR run. The state continues to build processing centers to increase available resources for working both initial determinations and reviews.

TMA out of the box functionality in Curam is in the CGI5 module which is currently in development with the recent onboarding of a system integrator. This implementation is anticipated for Fall 2019. In the meantime, a workgroup that has been developing the policies, procedures and training around a manual TMA process in the HCR (Health Care Reform) module of Curam (Business Case 2710) will be present a proposed implementation plan including workflow in Curam and the document management system (OnBase) to agency leadership by October 2018. We also currently have a team of senior staff specifically trained to handle TMA processing.

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

Reference Number 2017-007
Federal Agency Department of Health and Human Services
State Agency South Carolina Department of Health and Human Services

CFDA Number 93.775, 93.777, 93.778
Federal Program Name Medicaid Cluster
Compliance Requirement E. Eligibility
Type of Finding Compliance & Control

Condition

The Department did not perform annual eligibility reviews for Medicaid recipients in accordance with Section 101.10 of the South Carolina Medicaid Policies and Procedures Manual.

Current Status Partially Resolved

Comment

Periodic Auto Renewal (PAR) was implemented April 2018. As of mid-August 2018, approximately 15,000 members remained ineligible from the original April PAR run. The state continues to build processing centers to increase available resources for working both initial determinations and reviews.

Fast Track Business Requirements have been finalized. The data sharing agreement with the Department of Social Services that will allow access to this data is still in process with the respective General Counsel teams for each agency. The workgroup for the Fast Track process has been working on the operational aspects of the program including forms, communication and a Request for Proposals for a vendor to conduct needed outreach. With these components in place, once it is determined when system functionality can be in place, based on system development priorities, the state is able to move forward with an implementation date.

State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018

| | |
|-------------------------------|--|
| Reference Number | 2017-008 |
| Federal Agency | Department of Health and Human Services |
| State Agency | South Carolina Department of Health and Human Services |
| CFDA Number | 93.775, 93.777, 93.778 |
| Federal Program Name | Medicaid Cluster |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The Department could not provide documentation to support various amounts reported for federal fiscal years 2013 and 2014 on the Allocation of Disproportionate Share Hospital Payment Adjustments of Applicable FFYs form (Form CMS 64.9D) of the quarterly CMS-64 report.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

The State of South Carolina Military Department



**OFFICE OF THE ADJUTANT GENERAL
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State of South Carolina Summary Schedule of Prior Audit Findings 6/30/2018

| | |
|-------------------------------|---|
| Reference Number | 2017-009 |
| Federal Agency | Department of Homeland Security |
| State Agency | South Carolina Office Of The Adjutant General |
| CFDA Number | 97.036 |
| Federal Program Name | Disaster Grants - Public Assistance (Presidentially Declared Disasters) |
| Compliance Requirement | B. Allowable Costs/Cost Principles |
| Type of Finding | Compliance & Control |

Condition

Program expenditures reported by the Office for the schedule of expenditures of Federal awards was overstated and required an audit adjustment.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Comment

Corrections have been made and a policy statement has been added to the Closing Package file to include the possibility in the closing package for correction.

**The State of South Carolina
Military Department**



**OFFICE OF THE ADJUTANT GENERAL
1 NATIONAL GUARD ROAD
COLUMBIA, SC 29201-4752**

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-010 |
| Federal Agency | Department of Homeland Security |
| State Agency | South Carolina Office Of The Adjutant General |
| CFDA Number | 97.036 |
| Federal Program Name | Disaster Grants - Public Assistance (Presidentially Declared Disasters) |
| Compliance Requirement | M. Subrecipient Monitoring |
| Type of Finding | Compliance & Control |

Condition

Documentation was not adequate to demonstrate that the pass-through entity verified every applicable subrecipient was audited as required.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Comment

Audits were obtained and reviewed within 24 hours of being identified

The State of South Carolina

Military Department



**OFFICE OF THE ADJUTANT GENERAL
1 NATIONAL GUARD ROAD
COLUMBIA, SC 29201-4752**

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-011 |
| Federal Agency | Department of Defense |
| State Agency | South Carolina Office Of The Adjutant General |
| CFDA Number | 12.401 |
| Federal Program Name | National Guard Military Operations and Maintenance (O&M) Projects |
| Compliance Requirement | H. Period of Performance |
| Type of Finding | Compliance & Control |

Condition

Expenditures which were not included on the detailed listing of unliquidated claims and undisbursed obligations were being recorded to the grant beyond 90 days after the close of the Federal fiscal year.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Comment

Journal entries were prepared and entered in SCEIS to correct the direct pay and travel items recorded to the wrong grants. The State will use the Business Warehouse Open Encumbrances Report to verify information provide by the Program Managers

The State of South Carolina

Military Department



**OFFICE OF THE ADJUTANT GENERAL
1 NATIONAL GUARD ROAD
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**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-012 |
| Federal Agency | Department of Defense |
| State Agency | South Carolina Office Of The Adjutant General |
| CFDA Number | 12.401 |
| Federal Program Name | National Guard Military Operations and Maintenance (O&M) Projects |
| Compliance Requirement | I. Procurement and Suspension and Debarment |
| Type of Finding | Control |

Condition

Of twenty-four procurement contracts randomly selected for testing, one lacked adequate documentation necessary to comply with state procurement policy, and six lacked evidence of a verification process ensuring that the party was not suspended or debarred.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Comment

This check has been added to our construction procurement standard operating procedure.



STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

State of South Carolina Summary Schedule of Prior Audit Findings 6/30/2018

| | |
|-------------------------------|--|
| Reference Number | 2017-013 |
| Federal Agency | Department of Education |
| State Agency | South Carolina Department of Education |
| CFDA Number | 84.367 |
| Federal Program Name | Supporting Effective Instruction State Grant (formerly Improving Teacher Quality State Grants) |
| Compliance Requirement | M. Subrecipient Monitoring |
| Type of Finding | Control |

Condition

Subrecipients were not monitored within the timeframe established by the Department's rotation schedule in the program's policies and procedures.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented



STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-014 |
| Federal Agency | Department of Education |
| State Agency | South Carolina Department of Education |
| CFDA Number | 84.027 and 84.173; 84.048 |
| Federal Program Name | Special Education Cluster (IDEA); Career and Technical Education (Perkins IV) |
| Compliance Requirement | C. Cash Management |
| Type of Finding | Control |

Condition

The Department did not retain documentation from their financial management system to support the level of expenses prompting a drawdown of funds.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented



STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-015 |
| Federal Agency | Department of Education |
| State Agency | South Carolina Department of Education |
| CFDA Number | 84.010 |
| Federal Program Name | Title I Grants to Local Educational Agencies |
| Compliance Requirement | M. Subrecipient Monitoring |
| Type of Finding | Compliance & Control |

Condition

The Department did not perform monitoring during the audit period in accordance with their rotation schedule.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented



STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-016 |
| Federal Agency | Department of Education |
| State Agency | South Carolina Department of Education |
| CFDA Number | 84.287 |
| Federal Program Name | Twenty-First Century Community Learning Centers |
| Compliance Requirement | G. Matching, Level of Effort, Earmarking |
| Type of Finding | Compliance & Control |

Condition

The Department failed to identify the incorrect budgetary journal entry causing the award allocation to be budgeted in excess of the federal allocation.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented



STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-017 |
| Federal Agency | Department of Education |
| State Agency | South Carolina Department of Education |
| CFDA Number | 84.048 |
| Federal Program Name | Career and Technical Education (Perkins IV) |
| Compliance Requirement | M. Subrecipient Monitoring |
| Type of Finding | Compliance & Control |

Condition

The Department did not perform monitoring during the audit period in accordance with their program policies and procedures.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented



STATE OF SOUTH CAROLINA

DEPARTMENT OF EDUCATION

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-018 |
| Federal Agency | Department of Education |
| State Agency | South Carolina Department of Education |
| CFDA Number | 84.048 |
| Federal Program Name | Career and Technical Education (Perkins IV) |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The Financial Status Report (Part C) for the Consolidated Annual Report for Carl D. Perkins Career and Technical Education Act of 2006 (CAR) that was submitted to the US Department of Education contained errors in the financial information reported.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented



**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-019 |
| Federal Agency | Various |
| State Agency | South Carolina Department of Health and Environmental Control |
| CFDA Number | Various |
| Federal Program Name | Research and Development Cluster |
| Compliance Requirement | I. Procurement and Suspension and Debarment |
| Type of Finding | Control |

Condition

The State does not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Ronnie P Belleggia, Director - Bureau of Financial Management
September 5, 2018

South Carolina Department of Natural Resources



September 7, 2018

Alvin A. Taylor
Director

State of South Carolina Summary Schedule of Prior Audit Findings 6/30/2018

Angie Cassella
Audits Manager

| | |
|-------------------------------|--|
| Reference Number | 2017-19 |
| Federal Agency | Various |
| State Agency | South Carolina Department of Natural Resources |
| CFDA Number | Various |
| Federal Program Name | Research and Development Cluster |
| Compliance Requirement | I. Procurement and Suspension and Debarment |
| Type of Finding | Control |

Condition

The State does not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

| | |
|-------------------------------|--|
| Reference Number | 2017-20 |
| Federal Agency | Various |
| State Agency | South Carolina Department of Natural Resources |
| CFDA Number | Various |
| Federal Program Name | Research and Development Cluster |
| Compliance Requirement | M. Subrecipient Monitoring |
| Type of Finding | Compliance & Control |

Condition

The Department and Consortium do not have the necessary policies and procedures in place regarding subrecipient monitoring to facilitate compliance with federal requirements.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

| | |
|-------------------------------|--|
| Reference Number | 2017-24 |
| Federal Agency | Various |
| State Agency | South Carolina Department of Natural Resources |
| CFDA Number | Various |
| Federal Program Name | Research and Development Cluster |
| Compliance Requirement | C. Cash Management |
| Type of Finding | Control |

Condition

Documentation from the Department's financial management system to support the level of expenses prompting a drawdown of funds was not readily available due to their lack of standardized policies/procedures in the area.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

If you have questions or need additional information, please do not hesitate to contact me.

With kindest regards,



Angie Cassella
Audits Manager



287 meeting street
charleston, sc 29401

p. 843.953.2078
f. 843.953.2080
www.scseagrant.org

Member Institutions

Clemson University
Coastal Carolina
University

College of Charleston

Medical University
of South Carolina

S.C. Department of
Natural Resources

S.C. State University

The Citadel

University of South Carolina

Chairman

Dr. Harris Pastides
President,
University of
South Carolina

Executive Director

M. Richard DeVoe



*Enhancing practical
use and conservation of
South Carolina's coastal
and marine resources
that foster a sustainable
economy and environment.*

State of South Carolina Summary Schedule of Prior Audit Findings 06/30/2018

Reference Number: 2017-019

Federal Agency: Various

State Agency: South Carolina Sea Grant Consortium

CFDA Number: Various

Federal Program Name: Research and Development Cluster

Compliance Requirement: I. Procurement and Suspension and Debarment

Type of Finding: Control

Condition: The State does not have a process to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Current Status: Further Action Not Warranted

Comment: Upon review of our internal processes while developing a possible Corrective Action Plan, the Consortium determined this finding to be not applicable as the agency has always included FORM CD-512: DISBARMENT, SUSPENSION, & LOBBYING in all subrecipient award packages. A blank copy of the form has been attached for your records and we will continue to ensure all subrecipients sign and return this form along with an award agreement/contract per the agency's current terms and conditions under its subawards/subcontracts policy.

Reference Number: 2017-020

Federal Agency: Various

State Agency: South Carolina Sea Grant Consortium

CFDA Number: Various

Federal Program Name: Research and Development Cluster

Compliance Requirement: M. Subrecipient Monitoring

Type of Finding: Compliance & Control

Condition: The Department and Consortium do not have the necessary policies and procedures in place regarding subrecipient monitoring to facilitate compliance with federal requirements.

Current Status: Fully Corrected with Previously Reported Corrective Action Implemented

Comment: On July 1, 2017, the Consortium developed and implemented a Corrective Action Plan associated with this exact finding for the Fiscal Year ending June 30, 2016. Due to the timing of the release for the Fiscal Year 2015-16 audit results, the same finding was carried into the following Fiscal Year 2016-17 report (as well as the corresponding Corrective Action Plan). See attached internal policy regarding the Consortium's subrecipient monitoring controls.

Reference Number: 2017-021

Federal Agency: Various

State Agency: South Carolina Sea Grant Consortium

CFDA Number: Various

Federal Program Name: Research and Development Cluster

Compliance Requirement: C. Cash Management

Type of Finding: Control

Condition: The Consortium does not have adequate internal controls in place regarding the reimbursement request process.

Current Status: Fully Corrected with Previously Reported Corrective Action Implemented

Comment: On July 1, 2017, the Consortium developed and implemented a Corrective Action Plan associated with this exact finding for the Fiscal Year ending June 30, 2016. Due to the timing of the release for the Fiscal Year 2015-16 audit results, the same finding was carried into the following Fiscal Year 2016-17 report (as well as the corresponding Corrective Action Plan). See attached internal policy regarding the Consortium's cash management controls.

Reference Number: 2017-022

Federal Agency: Various

State Agency: South Carolina Sea Grant Consortium

CFDA Number: Various

Federal Program Name: Research and Development Cluster

Compliance Requirement: A. Activities Allowed or Unallowed

B. Allowable Costs/Cost Principles

Type of Finding: Compliance & Control

Condition: The Consortium does not have adequate review and approval processes in place regarding the payroll and human resource functions. Additionally, there is no process in place to document time and effort devoted to grants for salaried employees.

Current Status: Fully Corrected with Previously Reported Corrective Action Implemented

Comment: On July 1, 2017, the Consortium developed and implemented a Corrective Action Plan associated with this exact finding for the Fiscal Year ending June 30, 2016. Due to the timing of the release for the Fiscal Year 2015-16 audit results, the same finding was carried into the following Fiscal Year 2016-17 report (as well as the corresponding Corrective Action Plan). See attached internal policy regarding the Consortium's employee level of effort monitoring compliance.

Reference Number: 2017-023

Federal Agency: Various

State Agency: South Carolina Sea Grant Consortium

CFDA Number: Various

Federal Program Name: Research and Development Cluster

Compliance Requirement: G. Matching, Level of Effort, Earmarking

Type of Finding: Compliance & Control

Condition: The Consortium did not maintain proper documentation to support the dollar value of donated supplies actually received from third parties.

Current Status: Fully Corrected with Previously Reported Corrective Action Implemented

Comment: On July 1, 2017, the Consortium developed and implemented a Corrective Action Plan associated with this exact finding for the Fiscal Year ending June 30, 2016. Due to the timing of the release for the Fiscal Year 2015-16 audit results, the same finding was carried into the following Fiscal Year 2016-17 report (as well as the corresponding Corrective Action Plan). See attached internal policy regarding the Consortium's matching support documentation compliance.



Ryan C. Bradley
Assistant Director for Administration

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-025 |
| Federal Agency | Department of Health and Human Services |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 93.563 |
| Federal Program Name | Child Support Enforcement |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The automated data processing and information retrieval system has not been implemented.

Current Status

Unresolved - Comment Below

Comment

The management response indicated that this finding would be completed by September 30, 2019. The system is in the final stages of testing and the pilot will be rolled out on October 1, 2018, with full implementation by September 30, 2019.

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-026 |
| Federal Agency | U.S. Department of Agriculture |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 10.558 |
| Federal Program Name | Child and Adult Care Food Program |
| Compliance Requirement | M. Subrecipient Monitoring |
| Type of Finding | Compliance & Control |

Condition

The Department did not review the minimum quantity of institutions and facilities receiving program assistance to meet the 33.3 percent during the year.

Current Status

Partially Resolved - Comment Below

Comment

DSS is still in the development stage of an automated compliance module system that will compute the 33.3% threshold requirement. While the system is being developed, the unit manager will manually compute the threshold and a second-party review by the CACFP manager will be conducted.

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-027 |
| Federal Agency | Department of Health and Human Services |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 93.558 |
| Federal Program Name | Temporary Assistance for Needy Families |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The schedule of expenditures of federal awards initially prepared by management did not include the correct amount of federal expenditures for the Temporary Assistance for Needy Families program.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-028 |
| Federal Agency | Department of Health & Human Services, U.S. Department of Agriculture |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 93.558, 10.561 |
| Federal Program Name | Temporary Assistance for Needy Families, State Administrative Matching Grants for the Supplemental Nutrition Assistance |
| Compliance Requirement | A. Activities Allowed or Unallowed B. Allowable Costs/Cost Principles |
| Type of Finding | Compliance & Control |

Condition

The Department incorrectly calculated the composite base percentages for use in determining the amount of indirect costs to claim for each program.

Current Status

Partially Resolved - Comment Below

Comment

The process to have the calculations reviewed and approved has been implemented, however, the two quarters that had incorrect calculations are still being reworked. This will be completed by September 30, 2018.

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-029 |
| Federal Agency | Department of Health & Human Services |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 93.558 |
| Federal Program Name | Temporary Assistance for Needy Families |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The Department submitted an incorrect quarterly financial report.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-030 |
| Federal Agency | Department of Health & Human Services |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 93.563 |
| Federal Program Name | Child Support Enforcement |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The Department did not sign off and submit the required report within the 30 day timeframe.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-031 |
| Federal Agency | Department of Health & Human Services, U.S. Department of Agriculture |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 93.558, 93.658, 10.551, 10.561, 93.563 |
| Federal Program Name | Temporary Assistance for Needy Families, Child Support Enforcement, Supplemental Nutrition Assistance Program, Foster Care Title IV-E |
| Compliance Requirement | H. Period of Performance |
| Type of Finding | Compliance & Control |

Condition

The Department incorrectly posted program expenses from a prior period to the new award allocations prior to the beginning of their periods of performance.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|---|
| Reference Number | 2017-032 |
| Federal Agency | Department of Health & Human Services, U.S. Department of Agriculture |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 93.563, 10.558 |
| Federal Program Name | Child Support Enforcement, Child and Adult Care Food Program |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The schedule of expenditures of federal awards initially prepared by management did not include the amount of program funds passed through to subrecipients.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-033 |
| Federal Agency | U.S. Department of Agriculture |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 10.551 |
| Federal Program Name | Supplemental Nutrition Assistance Program |
| Compliance Requirement | L. Reporting |
| Type of Finding | Compliance & Control |

Condition

The Department submitted a monthly Form FNS-46, Issuance Reconciliation Report to the granting agency that contained erroneous information.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

**State of South Carolina
Summary Schedule of Prior Audit Findings
6/30/2018**

| | |
|-------------------------------|--|
| Reference Number | 2017-034 |
| Federal Agency | U.S. Department of Agriculture |
| State Agency | South Carolina Department of Social Services |
| CFDA Number | 10.551 |
| Federal Program Name | Supplemental Nutrition Assistance Program |
| Compliance Requirement | N. Special Tests and Provisions |
| Type of Finding | Compliance & Control |

Condition

The Department's reconciliation process did not detect and investigate all variances that existed between the Department vendor's system and the granting agency's Automated Standard Application for Payments (ASAP) system.

Current Status

Fully Corrected with Previously Reported Corrective Action Implemented

Appendix A

Listing of Agencies Included in Schedule of Expenditures of Federal Awards

STATE OF SOUTH CAROLINA
Index of State Agencies Included in Schedule 1
For the Year Ended June 30, 2018

| <u>Agency Code</u> | <u>Agency Name</u> |
|---------------------------|---|
| B04 | Judicial Department |
| D10 | State Law Enforcement Division (SLED) |
| D50 | Department of Administration |
| E04 | Lieutenant Governor's Office |
| E20 | Attorney General's Office |
| E21 | Commission on Prosecution Coordination |
| E23 | Commission on Indigent Defense |
| E24 | Adjutant General's Office |
| E28 | State Election Commission |
| H03 | State Commission on Higher Education |
| H59 | State Board for Technical and Comprehensive Education |
| H63 | Department of Education |
| H67 | Educational Television Commission |
| H71 | Wil Lou Gray Opportunity School |
| H73 | Vocational Rehabilitation Department |
| H75 | School for the Deaf and the Blind |
| H79 | Department of Archives and History |
| H87 | State Library |
| H91 | Arts Commission |
| J02 | Department of Health and Human Services |
| J04 | Department of Health and Environmental Control |
| J12 | State Department of Mental Health |
| J16 | Department of Disabilities and Special Needs |
| J20 | Department of Alcohol and Other Drug Abuse |
| K05 | Services Department of Public Safety |
| L04 | Department of Social Services |
| L24 | Commission for the Blind |
| L36 | State Human Affairs Commission |
| L46 | Commission for Minority Affairs |
| N04 | Department of Corrections |
| N08 | Department of Probation, Parole and Pardon Services |
| N12 | Department of Juvenile Justice |
| N20 | Criminal Justice Academy |
| P12 | State Forestry Commission |
| P16 | Department of Agriculture |
| P24 | Department of Natural Resources |
| P26 | Sea Grant Consortium |
| P28 | Department of Parks, Recreation, and Tourism |
| P32 | Department of Commerce |
| P45 | Rural Infrastructure Authority |
| R06 | Office of Regulatory Staff |
| R36 | Department of Labor, Licensing, and Regulation |
| R40 | Department of Motor Vehicles |
| R44 | Department of Revenue |
| U30 | Division of Aeronautics |

Appendix B

Agency Corrective Action Plans to Findings and Recommendations – Federal Award Programs Audit

**SOUTH CAROLINA DEPARTMENT OF HEALTH AND HUMAN SERVICES
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

MARCH 8, 2019

U.S. Department of Health & Human
Services Centers for Medicare & Medicaid
Services 31 Forsyth Street, SW, Room
4T20 Atlanta, Georgia 30303-8909

The South Carolina Department of Health and Human Services respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

2018-001 Medicaid Cluster – CFDA No. 93.775, 93.777 & 93.778

Recommendation: We recommend the Department strengthen its control procedures to ensure the federal share of recoveries and collections are remitted in accordance with applicable federal and state requirements.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The rates are manually selected individually for each receivable in the accounts receivable system through a drop-down menu by receivables staff. Given that the rates are selected manually and human error can occur, it is necessary for management to review the receivables to ensure that recoveries and collections are reimbursed in accordance to 42 CFR 433.12 (C). For that reason, 25% of all newly created monthly receivables will be reviewed by the Accounts Receivable Team Leads. Furthermore, on a quarterly basis, the areas' Program Manager will review 10% of receivables set up in the three-month period by selecting a random sample of those receivables that have not been previously reviewed by the team leads.

Name of the contact person responsible for corrective action: Nika Simmons

Planned completion date for corrective action plan: Ongoing

Recommendation: We recommend the Department update the system of record within MEDS in a timely manner to ensure grants are only used for allowable costs/activities.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: These errors were caused by delays in reviews processing. SCDHHS has been working closely with CMS regarding a comprehensive plan to reduce and manage the application backlog, while also protecting the integrity of eligibility decisions. The South Carolina Medicaid Director met with CMS in February 2018 to discuss strategies for backlog mitigation, including reporting requirements for application review activity. The agency anticipates following up on this conversation with a formally documented application workflow management plan by no later than April 2019. This plan shall address both current and backlog application processing activity in all program areas (MAGI and Non-MAGI). The plan shall include detailed descriptions of the agency's approach to building staff capacity through the creation of Processing Centers and its new Staff Performance Evaluation and Remediation process.

Processing Centers: It is clear that to meet the demands of eligibility processing, based on the volume of incoming and backlog work, more capacity is needed. The agency is in the process of creating seven (7) Processing Centers throughout the state focused strictly on the work of completing eligibility determinations and redeterminations, leaving the customer service component of the agency's work to staff housed in local county eligibility offices. These Processing Centers are currently slated for the following counties: Richland, Spartanburg, Aiken, Florence, Orangeburg and Charleston. Richland, Spartanburg, and Aiken are anticipated to be in operation summer 2019. A Program Manager II was hired in 2018 to oversee the development and operation of all processing centers. A Program Manager I has been hired for both Spartanburg's and Aiken's Processing Centers to oversee operations at that sites and hiring is in progress for Program Managers for the other sites. Hiring of staff to be housed in the processing centers began in 2018 but shifted to a more aggressive hiring schedule in February 2019 in anticipation of the opening of each site. A staffing plan has been developed, based on all inbound work, including applications, reviews and changes to ensure the state has adequate staffing to prevent backlogs from being developed after implementation of the Director's mitigation plan. The hiring plan currently includes an 18-month schedule for hiring and associated training. This comprises 15 cohorts of 20-26 staff in each cohort.

Staff Performance Evaluation and Remediation: The agency's mitigation plan also includes a comprehensive plan for monitoring and remediating staff performance utilizing a data driven model that evaluates both staff production and accuracy of determinations. Monthly performance reports will be provided to supervisors for their staff, reflecting daily determinations made by each staff member in comparison to current benchmarks for daily processing standards. The report will also include quality review findings to reflect the accuracy of determinations. The agency is adopting a more thorough internal quality review process. Director Baker reached out to CMS for guidance so that this process can mimic the approach used for PERM reviews and other audits and the state

will be using these findings to impact employee promotions, disciplinary action, staff training and eligibility procedures.

Quality Assurance Strategy:

- Monthly quality reviews completed for every worker
- Quality Reviews to be completed by quality team members outside of the worker's direct chain of command
- Emphasis of review is on correctness of eligibility determinations, as well as procedural errors that are most likely to have an impact on an eligibility determination
- Definition of eligibility and procedural errors parallels these errors as defined by PERM and other state and federal audit processes
- Monthly quality findings, in conjunction with worker production are used for monthly, face to face counseling conducted with the worker, corrective measures and monitoring for improvement in subsequent months.
- Spot Check reviews to be conducted weekly by direct supervisors with increased focus on procedural errors that impact correctness of eligibility determinations and/or timeliness of determinations. Findings to be used by the supervisor to facilitate ongoing coaching and mentoring of staff, identify and/or monitor worker issues and resultant corrective plans.

Example: Hiring and Training Plan for Cohorts

| | |
|--|---------------------------|
| Class 1 - Non-MAGI | |
| Location | Spartanburg Training Room |
| Instructor Non-MAGI | Mark Tannery |
| Instructor Non-MAGI | Cynthia Jaynes |
| Support Staff 1 | Sherri New |
| Support Staff 2 | Frank Nicholson |
| Support Staff 3 | Omar Ferguson |
| Support Staff 4 | Joann Hover |
| Instructor - Supervisor Interface | Christina Davis |
| NM Supervisor - Supervisor Interface | Christina Davis |
| NM Eligibility Worker - Supervisor Interface | Ashia Woodard |
| Team Leads | 5 - Not identified |
| Seats | 20 |
| Beginning Date | 2/11/2019 |
| Orientation Floyd Shinsky | 2/11/2019 |
| Medicaid 101 A Tuesday Duckett/Ebony Ligon | 2/12/2019 |
| Medicaid 101 B Tuesday Duckett/Ebony Ligon | 2/13/2019 |
| Supervisor Interface/System Access/Study Guide Christina Davis | 2/14/2019 |
| Beginning of Non-MAGI Mark Tannery | 2/15/2019 |
| End of Non-MAGI Mark Tannery | 3/8/2019 |
| Beginning of hands on work for Non-MAGI | 3/11/2019 |
| End of hands on work | 3/22/2019 |
| Employees moving to production | 16 |
| Report to temporary location/Begin on-site support with trainer or lead work | 3/25/2019 |
| Complete on-site support with trainer or lead worker | 4/5/2019 |
| Completion of initial evaluation form | 4/12/2019 |
| Refresher Training Location | Spartanburg Training Room |
| Instructor Non-MAGI | |
| Instructor Non-MAGI | |
| Begin Mandatory Refresher Training Ayesha Ferguson | 7/29/2019 |
| End Mandatory Refresher Training | 8/2/2019 |
| Completion of 180 day evaluation form | 8/11/2019 |
| Completion of 180 day proficiency evaluation | 8/15/2019 |

Names of the contact persons responsible for corrective action: Beth Hutto, Michael Jones, Lori Risk

Planned completion date for corrective action plan: Hiring and Training of staff:
Approximately end of CY 2020; Staff Performance Evaluation and Remediation: July 1,
2019

2018-003

Medicaid Cluster – CFDA No. 93.775, 93.777 & 93.778

Recommendation: We recommend the Department correct the errors in MMIS to ensure compliance with the Federal matching requirement for family planning services and family planning related services.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Incorrect match rates for family planning and family planning related services result from a number of policy and system parameters that require code-by-code review and extensive provider retraining and education. SCDHHS had begun these efforts; however, additional time is needed to complete the full review, reprogramming, and re-education activities.

Based on audit findings from previous years, SCDHHS has undergone a thorough review of the claims processing business rules that govern the assignment of family planning fund codes. The first series of findings focused on pharmacy claims being assigned to the “ES” fund code inappropriately. This issue has been completely resolved, and SCDHHS instituted a monitoring plan to ensure that additional claims were not assigned to the “ES” fund code. Those analyses have demonstrated no subsequent claims being assigned the “ES” fund code.

Subsequent audit findings have involved the medical benefit/service. After identifying a number of issues, SCDHHS requested that its internal compliance division conduct an analysis of claims and associated business rules to determine the extent to which family planning and family planning related services were being assigned the inappropriate fund codes. Based on this analysis, a joint team consisting of individuals from the Division of Coverage and Benefit Design and the Division of Medicaid Operations developed a series of modification to current business rules. Those modifications are currently being implemented by SCDHHS’ claims processing vendor. Due to the magnitude of these reviews, we expect the timing for completion to extend into early 2020.

Name of the contact person responsible for corrective action: Kevin Bonds

Planned completion date for corrective action plan: February 1, 2020

2018-004

Medicaid Cluster; Children’s Health Insurance Program – CFDA No. 93.775, 93.777 & 93.778; 93.767

Recommendation: We recommend the Department maintain documentation to support its eligibility determinations in accordance with its State plan and Federal regulations.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: As a repeat finding, this must be approached from two perspectives: (1) Findings from applications that started off as paper files (Pre-Electronic Documentation Management (OnBase System) implementation in 2013); and (2) Findings from applications processed based on electronic case files (Post-Electronic Documentation Management implementation).

Pre-Electronic Document Management: In January 2019, the agency completed a scanning project in pursuit of a paper free environment. Over the course of the last year, any remaining paper case files for active beneficiaries were scanned into OnBase. This eliminates some of the need to track down historical documents. There will always be the risk of paper files that have not been uploaded into the electronic case file as anticipated. The corrective action for reducing this risk was the implementation of OnBase. However, it is recognized that the agency is still accountable for having required documents or documentation in the case file and/or eligibility systems. For any document not found as part of a case review or audit, the corrective action for that particular review will be to pursue any needed documentation required to continue or end eligibility. The state's quality assurance strategy will facilitate this process. The review process also requires the worker to ensure that required historical documents are in the case file. As review processing increases as a result of the mitigation strategy described, there will be more opportunity to identify case files for which needed documents are not present and pursued as appropriate.

Post-Electronic Document Management: While the implementation of OnBase significantly reduces the risk of required documentation not being present in the case file, a thorough quality review process as described in this document, is needed to help ensure compliance. The quality review process in development for July implementation has identified key elements for review which lead to a correct or incorrect eligibility determination. This includes the presence of a signed application (where appropriate) and presence of other documentation required for the eligibility decision (e.g. Level of Care). As with pre-Electronic Document Management case files, the timely completion of reviews will assist with this effort as well.

Names of the contact persons responsible for corrective action: Beth Hutto, Michael Jones, Lori Risk

Planned completion date for corrective action plan: October 1, 2019

2018-005 Medicaid Cluster; Children's Health Insurance Program – CFDA No. 93.775, 93.777 & 93.778; 93.767

Recommendation: We recommend the Department discontinue the Medicaid and CHIP benefits of ineligible recipients in accordance with its State plan and Federal regulations.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: See the action described for finding **2018-002**; the same action/plan is applicable.

Names of the contact persons responsible for corrective action: Beth Hutto, Michael Jones, Lori Risk

Planned completion date for corrective action plan: Hiring and Training of staff: Approximately end of CY 2020; Staff Performance Evaluation and Remediation: July 1, 2019

2018-006 Medicaid Cluster; Children's Health Insurance Program – CFDA No. 93.775, 93.777 & 93.778; 93.767

Recommendation: We recommend the Department ensure that eligibility reviews are performed annually in accordance with the South Carolina Medicaid Policies and Procedures Manual.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: See the action described for finding **2018-002**; the same action/plan is applicable. In addition, Periodic Auto-Renewal functionality allows for potential data matching for processing older reviews. Periodic Auto-Renewal (PAR) was implemented April 2018. PAR runs on a monthly basis. To date, approximately 17,500 members remain ineligible since the original April PAR run.

Names of the contact persons responsible for corrective action: Beth Hutto, Michael Jones, Lori Risk

Planned completion date for corrective action plan: Hiring and Training of staff: Approximately end of CY 2020; Staff Performance Evaluation and Remediation: July 1, 2019

If the U.S. Department of Health and Human Services has questions regarding this plan, please call Cammie Patterson, CFO, at 803-898-1017

U.S. Department of Health and Human Services
Administration for Children & Families
370 L'Enfant Promenade, S.W.
Washington, DC 20447

SC Office of Economic Opportunity respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

2018-007 Low Income Home Energy Assistance Program – CFDA No. 93.568

Recommendation: We recommend the Department strengthen controls to ensure information reported to the Federal Government is accurate and supported by documentation.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department has implemented a routing process whereby a hard copy of the electronic report to be submitted to the Federal Government and the supporting documentation are circulated among multiple staff to verify accuracy of data entered. Only after this review process will the report be officially submitted to the Federal Government. LIHEAP program policies have been updated to reflect this process.

Name(s) of the contact person(s) responsible for corrective action: Kelly Buckson

Planned completion date for corrective action plan: Implemented December 2018.

If the U.S. Department of Health and Human Services has questions regarding this plan, please call James Miller at 803-734-0425.





ALAN WILSON
ATTORNEY GENERAL

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

ATTORNEY GENERAL'S OFFICE

2018-008

Crime Victim Assistance – CFDA No. 16.575

Recommendation: **We recommend that the Office review its internal controls for tracking administrative costs charged to the grant to ensure that those controls prevent administrative costs from exceeding 5 percent of sums received.**

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department of Crime Victim Assistance Grants has a reconciliation process and a Master Grant Pass Thru for each federal award. The process enables tracking and reporting of pass thru awards and the planning and administration costs to ensure that the administrative costs do not exceed 5 percent of sums received. The issue that is the basis for the recommendation was for the 2014 VOCA award that was administered and closed by the SC Department of Public Safety.

Name(s) of the contact person(s) responsible for corrective action: Daphne Shook

Planned completion date for corrective action plan: Immediately

ATTORNEY GENERAL'S OFFICE

2018-009

Crime Victim Assistance – CFDA No. 16.575

Recommendation: **We recommend that Office internal controls over federal reporting include the process of obtaining extensions when extenuating circumstances prevent the submission of reports within the required timeframe.**

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department of Crime Victim Assistance Grants has a quarterly reconciliation process that will enable the reporting of quarterly grant expenses in a timely manner. We will notify the federal funding partner and write a request for extension for any future extenuating circumstances that could prevent the filing of reporting within the required timeframe. The Crime Victim Assistance Grants were moved to the Office of Attorney General from the SC Department of Public Safety in July 2017. The VOCA funds were re designated from the prior recipient to the Office of Attorney General March 20, 2018 therefore all FFR's for the re designated fund were entered after the new award date.

Name(s) of the contact person(s) responsible for corrective action: Daphne Shook

Planned completion date for corrective action plan: Immediately

SC Attorney General's Office
Corrective Action Plan
Year Ended June 30, 2018

ATTORNEY GENERAL'S OFFICE

2018-010 Crime Victim Assistance – CFDA No. 16.575

Recommendation: **We recommend that the Office review its internal controls over subrecipient monitoring to ensure the process of following-up on subrecipient audit findings documents timely follow-up and management decisions in accordance with the Federal regulations.**

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department of Crime Victim Assistance Grants will review its internal controls over subrecipient monitoring to ensure the process of following-up on subrecipient audit findings documents timely follow-up and management decision in accordance with the Federal regulations.

Name(s) of the contact person(s) responsible for corrective action: BJ Nelson

Planned completion date for corrective action plan: Process will begin immediately.

If the Federal Cognizant or Oversight Agency for Audit has questions regarding this plan, please call Daphne Shook at 803-734-0779 or BJ Nelson at 803-734-0791.



March 8, 2019

Department of Health and Human Services

The South Carolina Department of Social Services respectfully submits the following corrective action plan for the year ended June 30, 2018.

Audit period: June 30, 2018

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

DEPARTMENT OF SOCIAL SERVICES

2018-011 Child Support Enforcement – CFDA No. 93.563

Recommendation: We recommend that the Department continue its process of implementing a data processing and retrieval system that complies with Section 454 (24) (B) of the Act.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The contract for the statewide child support system has been assigned to Conduent, and the federal Office of Child Support Enforcement (OSCE) approved our current project contract in August 2015. The project timeline for system development, testing and implementation is four years, consisting of the following:

- Three-year design, development and testing phase.
- Completed system implementation at DSS with four (4) pilot counties going live on September 30, 2018 and an additional 14 counties going live on February 4, 2019.
- Complete state-wide system implementation across the remaining 28 counties by September 30, 2019.

Name(s) of the contact person(s) responsible for corrective action: Jimmy Early, Project Director

Planned completion date for corrective action plan: September 30, 2019

DEPARTMENT OF SOCIAL SERVICES

2018-012 Child Support Enforcement – CFDA No. 93.563

Recommendation: We recommend that the Department strengthen its internal control process for reviewing program expenses charged to the federal awards to ensure that they are incurred during the grant period of performance.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Procedures will be implemented for proper monitoring of expenditures charged to the program, and staff will be re-trained on the period of performance for each program to ensure the expenditures charged to federal awards are incurred during the proper grant period of performance.

Name(s) of the contact person(s) responsible for corrective action: Mary Long, Grants Accounting Manager

Planned completion date for corrective action plan: June 30, 2019

DEPARTMENT OF SOCIAL SERVICES

2018-013 Child Support Enforcement – CFDA No. 93.563

Recommendation: We recommend that the Department review its internal controls over issuance of subrecipient subawards to ensure that the information communicated is in compliance with the Federal guidelines.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Finance Department will work in concert with the Procurement Department to ensure that every subaward is clearly identified to the subrecipient as a subaward and includes the federally required information at the time of the subaward.

Name(s) of the contact person(s) responsible for corrective action: Susan Roben, Controller

Planned completion date for corrective action plan: June 30, 2019

DEPARTMENT OF SOCIAL SERVICES

2018-014 Child Support Enforcement – CFDA No. 93.563

Recommendation: We recommend that the Department continue to implement a process to collect and report the amount of program funds passed through to subrecipients during the year on the schedule of expenditures of federal awards and to verify that the amount is supported by the accounting system.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Procedures have already been implemented to ensure that the correct data is captured in the agency's general ledger in order to report the proper total amount of subrecipient expenditures.

Name(s) of the contact person(s) responsible for corrective action: Mary Long, Grants Accounting Manager

Planned completion date for corrective action plan: June 30, 2019

DEPARTMENT OF SOCIAL SERVICES

2018-015 Child Support Enforcement, Child and Adult Care Food Program – CFDA No. 93.563, 10.558

Recommendation: We recommend that the Department strengthen its internal controls and processes to ensure that quarterly reports are free from error prior to submission of the report.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Staff will be re-trained on the proper completion of the FNS-777 and OCSE-396 reports.

Name(s) of the contact person(s) responsible for corrective action: Susan Roben, Controller

Planned completion date for corrective action plan: June 30, 2019

DEPARTMENT OF SOCIAL SERVICES

2018-016 Child and Adult Care Food Program – CFDA No. 10.558

Recommendation: We recommend that the Department strengthen its internal controls and processes to ensure that reimbursement claims submitted more than 60 days after the end of the covered claim period are not paid without Federal grantor approval.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The agency has implemented a policy prohibiting significant changes to the automated application system which impact the renewal process if the changes cannot be finalized by June 30. This change will ensure that the changes to the system do not cause a delay in institutions being able to submit renewal applications. Institutions which do not submit the renewal applications for program year 2020 (most applications for program year 2019 have already been received) in a timely manner will not be allowed to submit claims for reimbursement after 60-days from the claim month unless DSS approves a one-time exception to the due date or DSS receives approval from USDA to process the claim.

Name(s) of the contact person(s) responsible for corrective action: Mary A. Young, Program Director

Planned completion date for corrective action plan: February 28, 2019

DEPARTMENT OF SOCIAL SERVICES

2018-017 Child and Adult Care Food Program – CFDA No. 10.558

Recommendation: We recommend that the Department review its internal controls to ensure that compliance with timely notification of subrecipient application approval or disapproval is adequately documented either within its online application system or otherwise.

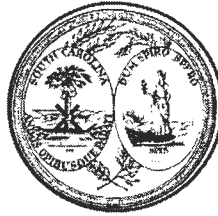
Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The CACFP unit will maintain an Excel spreadsheet to monitor and document approval activity to ensure applications are approved or denied within 30 days of receipt of a complete application. Furthermore, the agency will begin identifying the requirements for the approval notices to be handled within the automated system for renewal applications.

Name(s) of the contact person(s) responsible for corrective action: Mary A. Young, Program Director

Planned completion date for corrective action plan: June 30, 2019

If the Federal Cognizant of Oversight Agency for Audit has questions regarding this plan, please call Susan Roben, Controller at 803-898-7427.



STATE OF SOUTH CAROLINA
DEPARTMENT OF EDUCATION

MOLLY M. SPEARMAN
STATE SUPERINTENDENT OF EDUCATION

SC DEPARTMENT OF EDUCATION
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018

U.S. Department of Education

S.C. Department of Education respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

DEPARTMENT OF EDUCATION

2018-018 Cash Management

Special Education Cluster (IDEA) – CFDA No. 84.027 and 84.173

Recommendation: We recommend that the Department strengthen their policies and procedures to ensure that proper documentation is maintained to support the level of expenses prompting a drawdown of funds.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Procedure for requesting Reimbursement on G5 grants was revised 7/1/2018 to include another layer of review by someone other than the preparer before the request is given to the Senior Accountant to process in the G5 system.

Name(s) of the contact person(s) responsible for corrective action: Diane House

Planned completion date for corrective action plan: Began 7/1/2018

**SC DEPARTMENT OF EDUCATION
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

2018-019 Matching

Child Nutrition Cluster – CFDA No. 10.553; 10.555

Recommendation: We recommend the Department strengthen their policies and procedures to ensure an adequate review of reports related to matching requirements.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Grants Accounting Manager will begin reviewing all reports and backup for the reports submitted to USDA through FPRS system.

Name(s) of the contact person(s) responsible for corrective action: Diane House

Planned completion date for corrective action plan: 3/1/2019

2018-020 Reporting

Child Nutrition Cluster – CFDA No. 10.553; 10.555

Recommendation: We recommend the Department strengthen its policies and procedures to ensure the amounts reported on reports are accurate, and supported by documentation that is properly maintained and reviewed.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Grants Accounting Manager will begin reviewing all reports and backup for the reports submitted to USDA through FPRS system.

Name(s) of the contact person(s) responsible for corrective action: Diane House

Planned completion date for corrective action plan: 3/1/2019

2018-021 Subrecipient Monitoring

Career and Technical Education – CFDA No. 84.048

Recommendation: We recommend the Department strengthen its policies and procedures for the program to ensure periodic monitoring is performed for all subrecipients, and adequate support of the monitoring is maintained.

**SC DEPARTMENT OF EDUCATION
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Office of Career and Technology Education (OCTE) concurs that internal controls related to the periodic monitoring of all subrecipients needs to be strengthened. However, this is not a repeat finding. During the Fiscal year 2017, finding number 2017-017 focused on the Postsecondary partnership not following the monitoring procedures for scheduled monitoring visits. One of the scheduled visits for the Postsecondary partners fell outside of the Audit period, thereby creating the finding. We have discussed this in great depth with all parties to ensure completeness and accuracy in our monitoring schedule. Therefore, the corrective action for the 2017 finding has been implemented.

In regards to finding number 2018-021, we concur that the internal control for the supporting documentation and back-up resources for our subrecipient monitoring must be strengthened. While all subrecipient monitoring was completed per the policies and procedures of the OCTE, the supporting documentation for one of our subrecipient monitoring visits was not incorporated into the final historical documentation. The OCTE is focused on strengthening the internal controls with regards to subrecipient monitoring. Furthermore, the OCTE will strive to ensure the internal controls are implemented to verify compliance with reporting requirements through clearly defined expectations and access to the appropriate information. The OCTE will ensure that all documents related to the monitoring of subrecipients will be kept on file for the pre-determined period time to be in compliance with state and federal regulations.

Name(s) of the contact person(s) responsible for corrective action: Maria Swygert, Office of Career and Technical Education (OCTE)

Planned completion date for corrective action plan: June 30, 2019

2018-022 Cash Management

Twenty-First Century Community Learning Centers – CFDA No. 84.287

Recommendation: We recommend that the Department strengthen their policies and procedures to ensure that proper documentation is maintained to support the review and approval of a drawdown of funds.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Procedure for requesting Reimbursement on G5 grants was revised 7/1/2018 to include another layer of review by someone

**SC DEPARTMENT OF EDUCATION
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

other than the preparer before the request is given to the Senior Accountant to process in the G5 system.

Name(s) of the contact person(s) responsible for corrective action: Diane House

Planned completion date for corrective action plan: 7/1/2018

If the U.S. Department of Education has questions regarding this plan, please call Diane House at 803-734-8128.



March 7, 2019

**DEPARTMENT OF HEALTH AND ENVIRONMENTAL CONTROL
CORRECTIVE ACTION PLAN
YEAR ENDED 06/30/2018**

Federal Cognizant or Oversight Agency for Audit: Department of Health and Human Services

South Carolina Department of Health and Environmental Control respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

Department of Agriculture

2018 - 023 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) –
CFDA No. 10.557

Recommendation: The Department strengthen internal controls to ensure all charges to awards were incurred during the award's period of performance.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Agency identified overdue invoices for special infant formula and deemed this problem a priority for correction in 2017. The Project Management Office (PMO) facilitated efforts between the Agency and the vendor to have outstanding invoices paid and streamline processes and communication to ensure timely payment of future invoices. These efforts began in September 2017. In addition to the Agency efforts, the Division of WIC Services implemented process improvements of how these invoices are paid. Beginning in July 2018, orders are made and invoices are paid directly in the Regions. Previously, state-wide orders were made and invoices were paid from the state office. The process improvement has removed the bottle-neck of only the state office processing invoices, removed layers/time the invoices had to travel before being paid, and now allows more accountability of the Regions ensuring the invoices are submitted for payment. The efforts from the PMO and the improvements made within the Division of WIC Services have been deemed successful as the number of outstanding invoices has drastically decreased and outstanding invoices from previous year(s) have been resolved.

Name(s) of the contact person(s) responsible for corrective action: Berry Kelly, Heather Price

Planned completion date for corrective action plan: Currently Implemented

Department of Agriculture

2018-024 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) –
CFDA No. 10.557

Recommendation: The Department strengthen controls to ensure documentation is obtained and reviewed to support eligibility with the nutritional risk criteria.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The program will strengthen controls to ensure documentation is obtained and reviewed to support eligibility with the nutritional risk criteria via the 2019 Regional Nutritional Trainings conducted by the Nutrition Services Unit Manager.

Name(s) of the contact person(s) responsible for corrective action: Berry Kelly, Beverly Brockington, Heather Price

Planned completion date for corrective action plan: Trainings conducted March 8, 2019 – May 3, 2019.

Department of Agriculture

2018-025 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) –
CFDA No. 10.557

Recommendation: The Department strengthen internal controls to ensure monthly reconciliations are completed and reviewed accurately to monitor the disposition of food instruments and cash-value vouchers in accordance with provisions.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The sample identified in this finding was a result of the learning-curve of a new staff member. The Division of WIC Services reviewed the Standard Operating Procedures of the monthly reconciliation with the staff member responsible for reconciliation. Also, the direct supervisor of the position is now reviewing the reconciliation reports monthly to ensure the tools used for monthly reconciliation are correct and match the findings/documentation.

Name(s) of the contact person(s) responsible for corrective action: Berry Kelly, Beverly Brockington, Heather Price

Planned completion date for corrective action plan: Currently Implemented

Department of Agriculture

2018-026 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) –
CFDA No. 10.557

Recommendation: The Department strengthen internal controls to ensure quarterly reviews and follow up on erroneous or questionable redeemed food instruments and cash-value vouchers are performed in accordance with the established policies/procedures.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Division of WIC Services diligently worked with the Vendor System's maintenance contractor to have this problem addressed in the Vendor System. This problem was causing bogus vendor overcharges, so it was worked as a priority item with the contractor until the cause of the error was identified and corrected. The problem took the length of time as it did to correct due to the age of the system and the outdated technology needed to enable the system to effectively operate. Fortunately, the need for quarterly review and collection of overcharged vouchers will be eliminated once the program implements EBT in 2019. Also, the Vendor System will be replaced by the Division of WIC Services new MIS – SCWIC, which is scheduled to pilot in April 2019. The Vendor Module in this system will be an extreme upgrade to the current system, so there is a small to no anticipation of incorrect reports impacting routine reviews and accountability as this particular incident.

Name(s) of the contact person(s) responsible for corrective action: Berry Kelly, Beverly Brockington, Heather Price

Planned completion date for corrective action plan: Finding Addressed

2018-027 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) –
CFDA No. 10.557

Recommendation: The Department strengthen internal controls to ensure the process to monitor for potential above 50 percent vendors is completed accurately and in accordance with their established policies/procedures.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: South Carolina has implemented the following procedure to strengthen internal controls to ensure the process to monitor for potential above 50 percent vendors is completed accurately and in accordance with their established policies/procedures:

Prior to any assessments being marked as complete, the WIC Vendor Manager must verify that the assessment is complete by signing under the Investigators signature on the form used to monitor for potential above 50 percent vendors. The WIC Vendor Manager's signature on this form is a new requirement to ensure the form is completed corrected.

Name(s) of the contact person(s) responsible for corrective action: Berry Kelly, Heather Price

Planned completion date for corrective action plan: Currently Implemented

2018-028 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) –
CFDA No. 10.557

Recommendation: The Department continue to implement the process to verify all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: As a result of the FY17 SWSA, the Department had already implemented the following procedures to strengthen internal controls to verify all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction. This year's finding addressed the FY18 period of time prior to the implementation of the new procedures.

New procedures for Purchases <= \$10,000

(1) The Agency procurement manual has been updated to include the following text in the Determination of Responsibility section:

"No vendor may be considered a Responsible offeror in a purchase that involves federal funds if that vendor has been debarred by the Federal Government and is classified as "Exclusion" in the System for Award Management."

(2) At our Feb 26, 2018 procurement staff meeting, we demonstrated how to use the SAMS exclusion list and that this is now a required step. Procurement officers were instructed to include a print screen from SAMS verifying the vendor status in the purchasing file.

(3) At our March 07, 2018 de-centralized buyers meeting we provided similar training on the above topics. All DHEC buyers are required to attend these quarterly training sessions or review the taped video within 60 days of the event.

Additional Procedures

The State of South Carolina currently uses a vendor master file within SCEIS to identify entities debarred by the State of South Carolina and blocks them so they cannot be used.

The Agency plans on meeting with SCEIS, Material Management and Comptroller General staff to discuss a statewide solution consistent with federal requirements.

Name(s) of the contact person(s) responsible for corrective action: Larry Maddox

Planned completion date for corrective action plan: Currently Implemented

2018-029 Special Supplemental Nutrition Program for Women, Infants, and Children (WIC) –
CFDA No. 10.557

Recommendation: The Department implement policies and procedures to ensure that indirect costs are charged to federal awards at a rate consistent with the approved State and Local Governments Rate Agreement in effect during that period of time.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department did not receive an approved Indirect Cost Rate Agreement for FY18 until April 20, 2018 at which time numerous grants had already been closed. The approved rate was 0.03% (3/100th of 1%) less than the submitted rate resulting in immaterial and diminutive adjusting entries which would not have been cost effective to implement.

The Department will make the adjustment to the FY20 billing rates.

The Department shall continue to follow up with all pertinent parties to ensure an approved Indirect Cost Rate Agreement is received as quickly as possible.

Name(s) of the contact person(s) responsible for corrective action: Ronnie Belleggia, Kim Paradeses

Planned completion date for corrective action plan: Upon Implementation of FY20.

2018-030 Research and Development Cluster

CFDA No. Various

Recommendation: The Department continue to implement the process to verify all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: As a result of the FY17 SWSA, the Department had already implemented the following procedures to strengthen internal controls to verify all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction. This year's finding addressed the FY18 period of time prior to the implementation of the new procedures.

New procedures for Purchases <= \$10,000

(1) The Agency procurement manual has been updated to include the following text in the Determination of Responsibility section:

"No vendor may be considered a Responsible offeror in a purchase that involves federal funds if that vendor has been debarred by the Federal Government and is classified as "Exclusion" in the System for Award Management."

(2) At our Feb 26, 2018 procurement staff meeting, we demonstrated how to use the SAMS exclusion list and that this is now a required step. Procurement officers were instructed to include a print screen from SAMS verifying the vendor status in the purchasing file.

(3) At our March 07, 2018 de-centralized buyers meeting we provided similar training on the above topics. All DHEC buyers are required to attend these quarterly training sessions or review the taped video within 60 days of the event.

Additional Procedures

The State of South Carolina currently uses a vendor master file within SCEIS to identify entities debarred by the State of South Carolina and blocks them so they cannot be used. The Agency plans on meeting with SCEIS, Material Management and Comptroller General staff to discuss a statewide solution consistent with federal requirements.

Name(s) of the contact person(s) responsible for corrective action: Larry Maddox

Planned completion date for corrective action plan: Currently Implemented

2018-031

Research and Development Cluster

CFDA No. Various

Recommendation: The Department implement policies and procedures to ensure that all annual subrecipient Risk Assessment Survey Forms are completed, returned, and reviewed in a timely manner.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department will continue to strengthen controls to ensure all forms are completed and reviewed in a timely manner. Follow up letters will be sent to all subrecipients who have not submitted a risk assessment by the requested deadline. If no timely response is received, payment of future invoices may be held until the documentation is submitted.

Name(s) of the contact person(s) responsible for corrective action: Ronnie Belleggia, Kim Paradeses

Planned completion date for corrective action plan: Currently Implemented

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|----------|--|
| 2018-032 | Research and Development Cluster |
| | CFDA No. Various |
| | <p>Recommendation: The Department implement policies and procedures to ensure that indirect costs are charged to federal awards at a rate consistent with the approved State and Local Governments Rate Agreement in effect during that period of time.</p> |
| | <p>Explanation of disagreement with audit finding: There is no disagreement with the audit finding.</p> |
| | <p>Action taken in response to finding: The Department did not receive an approved Indirect Cost Rate Agreement for FY18 until April 20, 2018 at which time numerous grants had already been closed. The approved rate was 0.03% (3/100th of 1%) less than the submitted rate resulting in immaterial and diminutive adjusting entries which would not have been cost effective to implement.</p> |
| | <p>The Department will make the adjustment to the FY20 billing rates.</p> |
| | <p>The Department shall continue to follow up with all pertinent parties to ensure an approved Indirect Cost Rate Agreement is received as quickly as possible.</p> |
| | <p>Name(s) of the contact person(s) responsible for corrective action: Ronnie Belleggia, Kim Paradeses</p> |
| | <p>Planned completion date for corrective action plan: Upon implementation of FY20.</p> |
| 2018-033 | Research and Development Cluster |
| | CFDA No. Various |
| | <p>Recommendation: The Department strengthen internal controls to ensure all charges to awards were incurred during the award's period of performance.</p> |
| | <p>Explanation of disagreement with audit finding: There is no disagreement with the audit finding.</p> |
| | <p>Action taken in response to finding: Budget staff will continue to monitor expenditures and work with both the Bureau of Financial Management staff and the Bureau of Business Management staff to ensure that all costs charged to a grant fall within the period of performance.</p> |
| | <p>Name(s) of the contact person(s) responsible for corrective action: Bruce Busbee</p> |
| | <p>Planned completion date for corrective action plan: Currently Implemented</p> |
| 2018-034 | Capitalization Grants for Drinking Water State Revolving Funds |
| | CFDA No. 66.468 |

Recommendation: The Department implement policies and procedures to ensure that indirect costs are charged to federal awards at a rate consistent with the approved State and Local Governments Rate Agreement in effect during that period of time.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: The Department did not receive an approved Indirect Cost Rate Agreement for FY18 until April 20, 2018 at which time numerous grants had already been closed. The approved rate was 0.03% (3/100th of 1%) less than the submitted rate resulting in immaterial and diminutive adjusting entries which would not have been cost effective to implement.


The Department will make the adjustment to the FY20 billing rates.

The Department shall continue to follow up with all pertinent parties to ensure an approved Indirect Cost Rate Agreement is received as quickly as possible.

Name(s) of the contact person(s) responsible for corrective action: Ronnie Belleggia, Kim Paradeses

Planned completion date for corrective action plan: Upon implementation of FY20.

If the Department of Health and Human Services has questions regarding this plan, please call Ronnie Belleggia at (803) 898-3390.

_____

Ronnie P Belleggia, Director – Bureau of Financial Management

Bellegrp@dhec.sc.gov

(803) 898-3390

March 7, 2019

South Carolina Department of Natural Resources



Department of the Interior

Alvin A. Taylor
Director

South Carolina Department of Natural Resources respectfully submits the following corrective action plan for the year ended June 30, 2018.

Caleb-Scott Cohoon
Audits Manager

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

Federal Agency: Various

2018-035 Research and Development Cluster – CFDA No. Various

Recommendation: The Department implement their policies and procedures to facilitate compliance with federal subrecipient monitoring requirements.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: A new subrecipient agreement was implemented July 1, 2018 to ensure the Department is in compliance with federal subrecipient monitoring requirements.

Name(s) of the contact person(s) responsible for corrective action: Caleb-Scott Cohoon

Planned completion date for corrective action plan: July 1, 2018

Federal Agency: Various

2018-036 Research and Development Cluster – CFDA No. Various

Recommendation: The Department implement an internal control process to ensure that all reimbursement requests are supported by paid expenditures prior to submission to the federal cognizant agency.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Policies and procedures were implemented February 11, 2019 to ensure proper and consistent documentation in our grants files throughout the agency to include the drawdown of funds.

Name(s) of the contact person(s) responsible for corrective action: Caleb-Scott Cohoon

Planned completion date for corrective action plan: February 11, 2019

Rembert C. Dennis Building • 1000 Assembly St. • P.O. Box 167 • Columbia, South Carolina 29202
EQUAL OPPORTUNITY AGENCY

Federal Agency: Various

2018-037 Research and Development Cluster – CFDA No. Various

Recommendation: The Department strengthen internal controls regarding the preparation and review of their SEFA to ensure such errors are identified and corrected prior to submission.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Policies and procedures were implemented March 1, 2019 to ensure that the SEFA is completed correctly and reviewed in order to identify and correct errors prior to submission.

Name(s) of the contact person(s) responsible for corrective action: Caleb-Scott Cohoon

Planned completion date for corrective action plan: March 1, 2019

If the Department of the Interior has questions regarding this plan, please call Caleb-Scott Cohoon at 803-734-1518.

Respectfully submitted,


Caleb-Scott Cohoon
Audits Manager

U.S. Department of Commerce
 1401 Constitution Avenue NW
 Washington, D.C. 20230

South Carolina Sea Grant Consortium respectfully submits the following corrective action plan for the year ended June 30, 2018.

Audit Period: July 1, 2017 through June 30, 2018

Corrective Action Plans Initiated: July 1, 2017 // To be amended by June 30, 2019 and February 1, 2018

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAMS AUDITS

| | |
|---------------------------------|---|
| Finding Number: | 2018-038. Subrecipient Monitoring (Prior Year Finding: 2017-020) |
| Federal Agency: | Various |
| Federal Program Title: | Research and Development Cluster |
| CFDA Number: | Various |
| Federal Grant ID Number: | Various |
| Pass-Through Entity: | Various |
| Award Period: | Various |
| Type of Finding: | Material weakness in internal control over compliance, material noncompliance |

Criteria: Per 2 CFR § 200.330 a pass-through entity must make case-by-case determinations whether each agreement it makes for the disbursement of Federal program funds casts the party receiving the funds in the role of a subrecipient or a contractor.

Additionally, per 2 CFR § 200.331 all pass-through entities must: (a) Ensure that every subaward is clearly identified to the subrecipient as a subaward and includes all of the required information at the time of the subaward (b) Evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and the terms and conditions of the subaward for purposes of determining the appropriate subrecipient monitoring described in paragraph (e) of this section, (c) Consider imposing specific subaward conditions upon a subrecipient if appropriate as described in § 200.207 Specific conditions. (d) Monitor the activities of the subrecipient as necessary to ensure that the subaward is used for authorized purposes, in compliance with Federal statutes, regulations, and the terms and conditions of the subaward; and that subaward performance goals are achieved. (f) Verify that every subrecipient is audited as required by Subpart F— Audit Requirements of this part when it is expected that the subrecipient's Federal awards expended during the respective fiscal year equaled or exceeded the threshold set forth in § 200.501 Audit requirements. (g) Consider whether the results of the subrecipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate adjustments to the pass-through entity's own records. (h) Consider taking enforcement action against noncompliant subrecipients as described in § 200.338 Remedies for noncompliance of this part and in program regulations.

Enhancing the practical use and conservation of South Carolina's coastal and marine resources to foster a sustainable economy and environment.

MEMBER INSTITUTIONS

Clemson University • Coastal Carolina University • College of Charleston • Medical University of South Carolina
 S.C. Department of Natural Resources • S.C. State University • The Citadel • University of South Carolina

CHAIRMAN

Dr. Harris Pastides, President, University of South Carolina

EXECUTIVE DIRECTOR

M. Richard DeVoe



Condition: The Consortium does not have the necessary policies and procedures in place regarding subrecipient monitoring to facilitate compliance with federal requirements.

Questioned Costs: Unknown

Context: For 3 of the 5 subrecipients selected for testing, monitoring procedures were not completed to satisfy the federal requirements.

Cause: The Consortium has not established subrecipient monitoring policies and procedures to facilitate compliance with federal requirements. The Consortium implemented policies and procedures for subrecipient monitoring during the fiscal year, however, it was noted that these policies and procedures do not address all federal requirements.

Effect: The Consortium is not in compliance with the Federal subrecipient monitoring requirements.

Recommendation: We recommend that the Consortium implement policies and procedures to facilitate compliance with federal subrecipient monitoring requirements.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Per this finding, the Consortium will amend its current subrecipient monitoring policies and procedures associated with our corrective action plan implemented July 2017. Since the inception of the current corrective action plan, the Consortium has implemented new requirements for all subrecipients in regards to reimbursement requests and financial reporting as well as an external audit process for select entities that received subaward funds during the previous fiscal year. These actions have yielded very positive results and significant progress has been made since the original single audit finding in fiscal year 2015-16.

However, discussions with state audit staff have determined the agency should assess each of our current subrecipients from a risk-aversion prospective. Thus, the Consortium will amend its current subrecipient policies and procedures to include an annual risk assessment and historical tracking of past audit results. These adjustments will provide the Consortium with a documented selection process for future subrecipient audits based on certain criteria to include, but not limited to: financial transactions incurred, reporting requirements achieved, and past audit results (both from the Consortium as well as each entity's own audit results) spanning the past fiscal year.

Name of the contact responsible for corrective action: Ryan C. Bradley, Assistant Director for Administration

Planned completion date for corrective action plan: Implemented July 1, 2017 // To be amended by June 30, 2019

| | |
|---------------------------------|--|
| Finding Number: | 2018-039. Procurement, Suspension and Debarment (Prior Year Finding: 2017-019) |
| Federal Agency: | Various |
| Federal Program Title: | Research and Development Cluster |
| CFDA Number: | Various |
| Federal Grant ID Number: | Various |
| Pass-Through Entity: | Various |
| Award Period: | Various |
| Type of Finding: | Material weakness in internal control over compliance |

Criteria: Per 2 CFR § 200.318 (h) the non-Federal entity must award contracts only to responsible contractors possessing the ability to perform successfully under the terms and conditions of a proposed procurement.

Condition: The Consortium did not follow its policies and procedures to verify that all outside entities are not suspended or debarred prior to entering into a covered transaction.

Questioned Costs: None

Context: The Consortium was deemed to be in compliance with these provisions for the fiscal year; however, the established policies and procedures were not followed to ensure such compliance for all entities. For 1 of the 5 subawards selected for testing, the required certification could not be provided.

Cause: The Consortium provided the contractor with the certification but it was not signed and returned in accordance with the established policies and procedures.

Effect: The Consortium may enter into a covered transaction with a contractor that is suspended or debarred.

Recommendation: We recommend that the Consortium implement a process to ensure that the required certifications are completed and returned.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

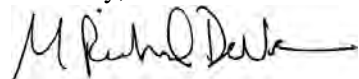
Action taken in response to finding: Per this finding, the Consortium will continue to confirm the return of all required documentation (and corresponding approval signatures) provided to subrecipients upon issuing our award packages. Note, the only test sample (out of five) that could not produce the required certification was awarded prior to implementation of this corrective action plan (award date of August 1, 2016; extended through July 31, 2018). Thus, the agency has no disagreement with this finding, nor any adjustments to the current plan of action as it has yielded the required results since its implementation date in February 2018.

Name of the contact responsible for corrective action: Ryan C. Bradley, Assistant Director for Administration

Planned completion date for corrective action plan: Implemented February 1, 2018

If the Department of Commerce has questions regarding this plan, please call Ryan Bradley at (843) 953-2078.

Sincerely,



M. Richard DeVoe
Executive Director

Cc: Ryan C. Bradley, Assistant Director for Administration

The State of South Carolina
Military Department



OFFICE OF THE ADJUTANT GENERAL

ROBERT E. LIVINGSTON, Jr.
MAJOR GENERAL
THE ADJUTANT GENERAL

**ADJUTANT GENERAL'S OFFICE
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

U.S. Department of Homeland Security

State of S.C. Adjutant General's Office respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

US Department of Homeland Security

2018-040 Disaster Grants – Public Assistance (Presidentially Declared Disasters) - CFDA No. 97.036

Recommendation: We recommend that the Office implement policies and procedures to ensure that subrecipient monitoring is performed in accordance with federal regulations.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Revision and implementation of policies and procedures for compliance of subrecipient monitoring in accordance with federal regulations 2 CFR 200 with specific attention to 2 CFR 200.331, to evaluate each subrecipient's risk of noncompliance with Federal statutes, regulations, and terms and conditions of to ensure the subaward is used for the authorized purpose. Include an assessment of risk to safeguard proper accountability and compliance with program requirements.

Name(s) of the contact person(s) responsible for corrective action: Cynthia Smith and Emily Bentley.

Planned completion date for corrective action plan: July 2019

If the Department of Homeland Security has questions regarding this plan, please call Steven Batson at 803-201-3440.

Emergency Management Division
2779 Fish Hatchery Road
West Columbia, South Carolina 29172
(803) 737-8500 • (803) 737-8570



Henry McMaster
Governor

SOUTH CAROLINA
DEPARTMENT OF COMMERCE

Robert M. Hitt III
Secretary

**SOUTH CAROLINA DEPARTMENT OF COMMERCE
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

US Department of Housing and Urban Development

SC Department of Commerce respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

2018-041. Community Development Block Grants/Entitlement Grants –CFDA No. 14.218

Recommendation: We recommend that the Department implement a process to verify that all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding: Procurement contracts had established procurement, suspension and debarment procedures. The leasing contract procedure has been enhanced to meet the needs of this federal requirement.

Name(s) of the contact person(s) responsible for corrective action: Sherry Copeland

Planned completion date for corrective action plan: 1/1/2019

If the US Department of Housing and Urban Development has questions regarding this plan, please call Sherry Copeland at 803-737-2584.



**SOUTH CAROLINA VOCATIONAL REHABILITATION
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

U.S. Department of Education

South Carolina Vocational Rehabilitation Department respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

South Carolina Vocational Rehabilitation Department

2018-042 Rehabilitation Services-Vocational Rehabilitation Grants to States – CFDA No. 84.126

Recommendation: We recommend that the Department strengthen its internal control process for reviewing program expenses charged to federal awards to ensure they were incurred during the grant period of performance.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

The Agency will be implementing new procedures this year to correct this deficiency. Staff training on the period of performance will be developed to ensure understanding of the requirement that expenditures must be charged to federal awards during the proper grant period of performance

The Grant Accountant will pull monthly reports to verify that the document date is with the period of performance of the funding grant. Journal entries will be made as necessary. The Open Encumbrances Report will be reviewed monthly to ensure that all unliquidated obligations are still valued. The fiscal staff will work with area offices to ensure bills are received and processed in a timely manner.

The fiscal staff will work with the Information Technology Department to modify programs to assist with identifying period of performance concerns.

Name(s) of the contact person(s) responsible for corrective action: Kimberly Estes
803-896-8612

Planned completion date for corrective action plan: 06/30/2019



**SOUTH CAROLINA VOCATIONAL REHABILITATION
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

South Carolina Vocational Rehabilitation Department

2018-043 Rehabilitation Services-Vocational Rehabilitation Grants to States – CFDA No. 84.126

Recommendation: We recommend that the Department strengthen internal controls to ensure that policies and procedures related to eligibility determinations are followed.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

In 2015 changes were made to the Case Management System (CMS) to automate review of compliance with completion of eligibility date. As a part of that automation, a batch process was developed to send email notifications for all cases that are approaching or overdue for the client's referral completion date and adjusted referral completion date.

In addition area supervisors and area client services managers receive a list of all clients assigned to caseloads in their office with eligibility deadlines. This weekly update allows them to monitor compliance and follow up on eligibility deadlines without manual investigation.

Monthly, the Consumer Services Department gets a report that list any cases that are out of compliance with the eligibility time frame. Consumer Services follows up with the area office and determines if any disciplinary actions are required.

Staff will continue to be trained to comply with the requirements for determining eligibility and the process to prevent non-compliance.

Name(s) of the contact person(s) responsible for corrective action:

George Pullie 803-896-8382

Planned completion date for corrective action plan: 06/30/2019



**SOUTH CAROLINA VOCATIONAL REHABILITATION
CORRECTIVE ACTION PLAN
YEAR ENDED JUNE 30, 2018**

South Carolina Vocational Rehabilitation Department

2018-044 Rehabilitation Services-Vocational Rehabilitation Grants to States – CFDA No. 84.126

Recommendation: We recommend that the Department implement a process to verify that all vendors awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Explanation of disagreement with audit finding: There is no disagreement with the audit finding.

Action taken in response to finding:

The Agency procurement manual will be updated to include language on vendor requirements under 2 CFR § 200.318. Purchase orders will be updated to include language that states, as a vendor you must be in compliance 2CFR 200.318 and are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency. The Agency procurement manual will be updated to include who will be responsible for verifying the vendor status. The Agency P-Card policy will also be updated to include procedures on verifying vendors are not disbarred or suspended and how the verification needs to be documented.

In addition, the State of South Carolina currently uses a vendor master file within SCEIS to identify entities debarred by the State of South Carolina and blocks them so they cannot be used. The Agency plans on meeting with SCEIS, Material Management and Comptroller General Staff to discuss a statewide solution consistent with federal requirements.

Name(s) of the contact person(s) responsible for corrective action: Kimberly Estes 803-896-8612

Planned completion date for corrective action plan: 12/31/2019

If the US Department of Education has questions regarding this plan, please call Kimberly Estes at 803-896-8612



South Carolina Commission for the Blind

1430 CONFEDERATE AVENUE • P.O. BOX 2467 COLUMBIA, SC
29202 PHONE: (803) 898-8822 • FAX: (803) 898-8845

Commissioner

James M. Kirby

SOUTH CAROLINA COMMISSION FOR THE BLIND CORRECTIVE ACTION PLAN YEAR ENDED JUNE 30, 2018

U.S. Department of Education

South Carolina Commission for the Blind respectfully submits the following corrective action plan for the year ended 6/30/18.

The findings from the schedule of findings and questioned costs are discussed below. The findings are numbered consistently with the numbers assigned in the schedule.

FINDINGS—FEDERAL AWARD PROGRAM AUDIT

South Carolina Commission for the Blind (L24)

2018-045 Rehabilitation Services - Vocational Rehabilitation Grants to States
CFDA No.: 84.126

Recommendation: Strengthen internal controls to ensure that policies and procedures related to eligibility determinations are followed.

Explanation of disagreement with audit finding: There is no disagreement with audit findings.

Action taken in response to finding: A refresher training will be provided to the appropriate staff regarding the policies and procedures related to eligibility determinations. In addition, Quality Assurance staff will conduct statewide reviews on a quarterly basis in order to validate the accuracy of case file documentation as well as the data in the AWARE case management system prior to the submission of the RSA-911 Federal Report.

Name(s) of the contact person(s) responsible for corrective action: Shana Robinson

Planned completion date for corrective action plan: April 30, 2019

South Carolina Commission for the Blind (L24)

2018-046 Rehabilitation Services - Vocational Rehabilitation Grants to States
CFDA No.: 84.126

Recommendation: Strengthen internal controls and implement policies/procedures to ensure key data elements reported on the RSA-911 are in agreement with the underlying case service documentation.

Explanation of disagreement with audit finding: There is no disagreement with audit findings.

Action taken in response to finding: Quality Assurance staff will conduct statewide reviews on a quarterly basis in order to ensure key data elements reported on the RSA-911 are in agreement with the underlying case service documentation prior to the submission of the RSA-911 Federal Report.

Name(s) of the contact person(s) responsible for corrective action: Shana Robinson

Planned completion date for corrective action plan: May 31, 2019

South Carolina Commission for the Blind (L24)

2018-047 Rehabilitation Services - Vocational Rehabilitation Grants to States
CFDA No.: 84.126

Recommendation: Strengthen internal controls to ensure that policies and procedures related to IPE development are followed.

Explanation of disagreement with audit finding: There is no disagreement with audit findings.

Action taken in response to finding: A refresher training will be provided to the appropriate staff regarding the policies and procedures pertaining to timeliness of IPE development. In addition, Quality Assurance staff will conduct statewide reviews on a quarterly basis in order to validate the timeliness of IPE development as well as documentation in the AWARE case management system prior to the submission of the RSA-911 Federal Report.

Name(s) of the contact person(s) responsible for corrective action: Shana Robinson

Planned completion date for corrective action plan: May 31, 2019

South Carolina Commission for the Blind (L24)

2018-048 Rehabilitation Services - Vocational Rehabilitation Grants to States
CFDA No.: 84.126

Recommendation: Implement a process to verify that all vendors which are awarded contracts from federal funds are not suspended or debarred prior to entering into a covered transaction.

Explanation of disagreement with audit finding: There is no disagreement with audit findings.

Action taken in response to finding: Training on the process of contract monitoring will be provided to the Procurement Specialist.

Name(s) of the contact person(s) responsible for corrective action: Juan Sims

Planned completion date for corrective action plan: September 30, 2019

If the U.S. Department of Education has questions regarding this plan, please call Juan Sims at 803-898-7701.

Appendix C

Index of Findings by Federal Grantor and Program Name

STATE OF SOUTH CAROLINA
Index of Findings by Federal Grantor and Program Name
For the Year Ended June 30, 2018

| CFDA Number | Federal Grantor/Program Name | Finding Number | Compliance ¹ Requirement | Type of Internal Control Finding | | Page |
|----------------|---|-------------------|--|----------------------------------|----------------------|------|
| | | | | Significant Deficiency | Material Weakness | |
| | Department of Agriculture | | | | | |
| 10.553 | School Breakfast Program | 2018-019 | G | X | | 66 |
| | | 2018-020 | L | X | | 66 |
| 10.555 | National School Lunch Program | 2018-019 | G | X | | 66 |
| | | 2018-020 | L | X | | 66 |
| 10.557 | WIC Special Supplemental Nutrition Program for Women, Infants, and Children | 2018-023 | H | X | | 70 |
| | | 2018-024 | E | X | | 71 |
| | | 2018-025 | N | X | | 72 |
| | | 2018-026 | N | X | | 73 |
| | | 2018-027 | N | X | | 74 |
| | | 2018-028 | I | X | | 76 |
| | | 2018-029 | AB | X | | 77 |
| 10.558 | Child and Adult Care Food Program | 2018-015 | L | X | | 62 |
| | | 2018-016 | B | X | | 63 |
| | | 2018-017 | E | X | | 64 |
| | Department of Housing and Urban Development | | | | | |
| 14.218 | Community Development Block Grants/Entitlement Grants | 2018-041 | I | X | | 90 |

¹ **Compliance Requirement Legend** – See page 192

STATE OF SOUTH CAROLINA
Index of Findings by Federal Grantor and Program Name
For the Year Ended June 30, 2018

| <u>CFDA Number</u> | <u>Federal Grantor/Program Name</u> | <u>Finding Number</u> | <u>Compliance¹ Requirement</u> | <u>Type of Internal Control Finding</u> | | <u>Page</u> |
|------------------------|---|---------------------------|---|---|------------------------------|-------------|
| | | | | <u>Significant Deficiency</u> | <u>Material Weakness</u> | |
| | <u>Department of Justice</u> | | | | | |
| 16.575 | Crime Victim Assistance | 2018-008 | G | X | | 54 |
| | | 2018-009 | L | X | | 55 |
| | | 2018-010 | M | X | | 56 |
| | <u>Environmental Protection Agency</u> | | | | | |
| 66.468 | Capitalization Grants for Drinking Water State Revolving Funds | 2018-034 | AB | X | | 82 |
| | <u>Department of Education</u> | | | | | |
| 84.027 | Special Education Grants to States | 2018-018 | C | X | | 65 |
| 84.048 | Career & Technical Education (Perkins IV) | 2018-021 | M | X | | 68 |
| 84.126 | Rehabilitation Services Vocational Rehabilitation Grants to States | 2018-042 | H | X | | 91 |
| | | 2018-043 | E | X | | 92 |
| | | 2018-044 | I | | X | 93 |
| | | 2018-045 | E | | X | 94 |
| | | 2018-046 | L | | X | 96 |
| | | 2018-047 | N | | X | 97 |
| | | 2018-048 | I | | X | 98 |

¹ Compliance Requirement Legend – See page 192

STATE OF SOUTH CAROLINA
Index of Findings by Federal Grantor and Program Name
For the Year Ended June 30, 2018

| CFDA Number | Federal Grantor/Program Name | Finding Number | Compliance ¹ Requirement | Type of Internal Control Finding | | Page |
|--|--|-------------------|--|----------------------------------|----------------------|------|
| | | | | Significant Deficiency | Material Weakness | |
| <u>Department of Education</u> | | | | | | |
| 84.173 | Special Education Preschool Grants | 2018-018 | C | X | | 65 |
| 84.287 | Twenty-First Century Community Learning Center | 2018-022 | C | X | | 69 |
| <u>Department of Health and Human Services</u> | | | | | | |
| 93.563 | Child Support Enforcement | 2018-011 | L | | X | 57 |
| | | 2018-012 | H | X | | 59 |
| | | 2018-013 | M | X | | 60 |
| | | 2018-014 | L | X | | 61 |
| | | 2018-015 | L | X | | 62 |
| 93.568 | Low-Income Home Energy Assistance | 2018-007 | L | X | | 53 |
| 93.767 | Children’s Health Insurance Program (CHIP) | 2018-002 | AB | X | | 48 |
| | | 2018-004 | E | X | | 50 |
| | | 2018-005 | E | X | | 51 |
| | | 2018-006 | E | | X | 52 |
| 93.775 | State Medicaid Fraud Control Units | 2018-001 | B | X | | 47 |
| | | 2018-003 | G | X | | 49 |
| | | 2018-004 | E | X | | 50 |
| | | 2018-005 | E | X | | 51 |
| | | 2018-006 | E | | X | 52 |

¹ **Compliance Requirement Legend** – See page 192

STATE OF SOUTH CAROLINA
Index of Findings by Federal Grantor and Program Name
For the Year Ended June 30, 2018

| CFDA Number | Federal Grantor/Program Name | Finding Number | Compliance ¹ Requirement | Type of Internal Control Finding | | Page |
|--|--|-------------------|--|----------------------------------|----------------------|------|
| | | | | Significant Deficiency | Material Weakness | |
| <u>Department of Health and Human Services</u> | | | | | | |
| 93.777 | State Survey and Certification of Health Care Providers and Suppliers (Title XVIII) Medicare | 2018-001 | B | X | | 47 |
| | | 2018-003 | G | X | | 49 |
| | | 2018-004 | E | X | | 50 |
| | | 2018-005 | E | X | | 51 |
| | | 2018-006 | E | | X | 52 |
| 93.778 | Medical Assistance Program | 2018-001 | B | X | | 47 |
| | | 2018-003 | G | X | | 49 |
| | | 2018-004 | E | X | | 50 |
| | | 2018-005 | E | X | | 51 |
| | | 2018-006 | E | | X | 52 |
| <u>Department of Homeland Security</u> | | | | | | |
| 97.036 | Disaster Grants – Public Assistance (Presidentially Declared Disasters) | 2018-040 | M | | X | 89 |
| <u>Various CFDA Numbers</u> | | | | | | |
| Various | Research and Development Cluster | 2018-030 | I | X | | 78 |
| | | 2018-031 | M | | X | 79 |
| | | 2018-032 | AB | X | | 80 |
| | | 2018-033 | H | X | | 81 |
| | | 2018-035 | M | | X | 84 |
| | | 2018-036 | C | X | | 85 |
| | | 2018-037 | L | X | | 86 |
| | | 2018-038 | M | | X | 87 |
| | | 2018-039 | I | | X | 88 |

¹ Compliance Requirement Legend – See page 192

¹ Compliance Requirement Legend

A – Activities allowed or unallowed

B – Allowable costs/cost principles

C – Cash management

D – Reserved

E – Eligibility

F – Equipment and real property management

G – Matching, level of effort, earmarking

H – Period of Performance

I – Procurement and suspension and debarment

J – Program income

K – Reserved

L – Reporting

M – Subrecipient monitoring

N – Special tests and provisions

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